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BOARD MEETING  
STATE OF CALIFORNIA  
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CAL/EPA BUILDING  
1001 I STREET  
2ND FLOOR  
BYRAN SHER AUDITORIUM  
SACRAMENTO, CALIFORNIA

WEDNESDAY, FEBRUARY 20, 2008  
1:30 P.M.

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Ms. Margo Reid Brown, Chair

Mr. Wesley Chesbro

Mr. Jeffrey Danzinger

Ms. Rosalie Mul

Ms. Cheryl Peace

Mr. Gary Petersen

STAFF

Mr. Mark Leary, Executive Director

Ms. Julie Nauman, Chief Deputy Director

Mr. Elliot Block, Chief Counsel

Ms. Kristen Garner, Executive Assistant

Mr. Reinhard Hohlwein, Staff

Mr. Jon Myers, Assistant Director, Office of Public  
Affairs

Mr. Howard Levenson, Program Director, Sustainability

Mr. Ted Rauh, Program Director, Waste Compliance and  
Mitigation Program

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APPEARANCES

ALSO PRESENT

Mr. Evan Edgar, CRRRC

Mr. Bob Hollis, CRRRA

Ms. Yvonne Hunter, Institute for Local Government

Beverly Kennedy - Ogilvy Public Relations

Mr. George Larson, Waste Management

Ms. Rachel Manke, Ogilvy Public Relations

Ms. Leslie McLaughlin, Command Navy Region South

Mr. Pano Stephens, Gary Rasche

Mr. Trey Strickland, LEA, Mendocino County

Ms. Jane Veres, Cold Creek

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1 PROCEEDINGS

2 CHAIRPERSON BROWN: Good afternoon. Welcome to  
3 the February 20th meeting of the California Integrated  
4 Waste Management Board.

5 I'd like to have Kristen call the roll.

6 EXECUTIVE ASSISTANT GARNER: Chesbro?

7 BOARD MEMBER CHESBRO: Here.

8 EXECUTIVE ASSISTANT GARNER: Danzinger?

9 BOARD MEMBER DANZINGER: Here.

10 EXECUTIVE ASSISTANT GARNER: Mulé?

11 BOARD MEMBER MULÉ: Here.

12 EXECUTIVE ASSISTANT GARNER: Peace?

13 BOARD MEMBER PEACE: Here.

14 EXECUTIVE ASSISTANT GARNER: Petersen?

15 BOARD MEMBER PETERSEN: Here.

16 EXECUTIVE ASSISTANT GARNER: Brown?

17 CHAIRPERSON BROWN: Here.

18 Do any members have any ex partes to report?

19 BOARD MEMBER PETERSEN: Yes, Madam Chair. I  
20 spoke with Richard Lutt about Item No. 2.

21 CHAIRPERSON BROWN: Okay.

22 BOARD MEMBER PEACE: And I said hello to Richard  
23 Lutt from Interior Removal Specialists/Construction  
24 Demolition Recycling.

25 BOARD MEMBER CHESBRO: Madam Chair, I don't know

1 if it actually qualifies as an ex parte. But if I may, I  
2 just wanted to say I went and made one of our WRAP of the  
3 Year presentations at Peterson Equipment in San Leandro,  
4 purveyors of very, very large generators and heavy  
5 equipment. And to see a company like that doing the many  
6 things that they're doing, it was very, very inspiring.  
7 And they made a real clear point that it came from the  
8 employees; it was from the bottom up who made demands on  
9 the management that they change the way they do things.  
10 And they are another example that we've heard of a number  
11 of times of a company getting the WRAP criteria and going  
12 down and using it as a checklist and saying, "Okay, let's  
13 do this, okay, let's do that," and going down it. They  
14 have I believe a six-member employee Committee that is  
15 implementing all these programs. And I just would like to  
16 congratulate them and say it was a pleasure to be able to  
17 be part of the presentation.

18 CHAIRPERSON BROWN: Very cool. I think that  
19 probably means we need to acknowledge all of our WRAP of  
20 the Year winners, since we do have five. You did one. I  
21 did two this week, PG&E and KBWB-TV20 in San Francisco,  
22 which is a small independent station which, and PG&E is a  
23 large company. So I got to do double ends of the  
24 spectrum, and they both had very impressive stories to  
25 tell, rather than go into all of that. But I appreciate



1 you bringing it up.

2 I think the WRAP of the Year award winners are on  
3 our website. We've got a couple more events coming up  
4 this week. I know Member Mulé is doing one.

5 So, Jon, did you want to add anything quickly  
6 until I move off WRAP of the Year?

7 ASSISTANT DIRECTOR MYERS: I was just going to  
8 add that Member Rosalie Mulé will be attending the Remo  
9 event next week.

10 And why I was hesitating is I was trying to  
11 member the fourth one that just slipped my mind, because  
12 they canceled the presentation that we were going to do  
13 yesterday. But we'll be rescheduling that soon.

14 CHAIRPERSON BROWN: But they are great stories.  
15 So thank you for bringing them up, Wes. I think a small  
16 independent station that has maybe 10 or 12 employees up  
17 to a company as large as PG&E, which is striving to be the  
18 greenest utility company in the entire country, shows that  
19 it starts with the individual and any company of any size  
20 can make significant changes in their waste reduction. So  
21 thank you for bringing that up.

22 I will mention, please, cell phones in the  
23 vibrate mode. I'm doing that myself right now.

24 Speaker slips are in the back, if anyone would  
25 like to speak to any item on the agenda.

1           There will be a brief closed session at the end  
2 of our regular business.

3           And I'll ask members now and our audience to  
4 please stand for the Pledge of Allegiance.

5           (Thereupon the Pledge of Allegiance was recited  
6 in unison.)

7           CHAIRPERSON BROWN: Thank you.

8           Now I'll move first to the Executive Director's  
9 Report.

10          Mark.

11          EXECUTIVE DIRECTOR LEARY: Thank you, Madam  
12 Chair. Good afternoon, members.

13          Just very briefly, a quick update on budget  
14 issues. We're all I think painfully aware of the  
15 difficult work the Governor and the Legislature has to do  
16 in regards to General Fund shortfalls in the budget  
17 process.

18          Just recently, I think as recently as yesterday,  
19 Governor Schwarzenegger issued an Executive Order asking  
20 for further reductions in the current year in General  
21 Fund. I wanted to reassure the Board and our audience, to  
22 the extent they need to be reassured, that we are entirely  
23 special funded and our current reading of operating  
24 interpretation of the Executive Order is that it does not  
25 affect us because we are entirely special funded and not

1 subject to the reductions the Governor suggest need to be  
2 made in the General Fund. So I just wanted to put that on  
3 the record and make sure that that's how we're operating.  
4 And we'll continue to do so unless someone directs us  
5 otherwise.

6 And with that, I conclude my r report.

7 CHAIRPERSON BROWN: Great. Thank you, Mark.

8 Good news.

9 Anybody wishing to speak during the public  
10 comment period today?

11 Okay. I think what we would like to do -- well,  
12 let's do the consent agenda, fiscal consent. And then  
13 we're going to go first to Item 8, which is a presentation  
14 that we have deferred from our Market and Sustainability  
15 Committee by the U.S. Navy on their innovative diversion  
16 activities. So we'll move first to that and then back to  
17 our other items.

18 So first Consent Agenda Items 2, 3, 4 revised, 5  
19 revised, and 7 are on the consent agenda. Does anybody  
20 wish to pull any items from the consent agenda?

21 Can I have a motion?

22 BOARD MEMBER MULÉ: Madam Chair, I'd like to move  
23 the consent agenda.

24 BOARD MEMBER PEACE: Second.

25 CHAIRPERSON BROWN: It's been moved by Member

1 Mulé and seconded by Member Peace.

2 Can you call the roll.

3 EXECUTIVE ASSISTANT GARNER: Chesbro?

4 BOARD MEMBER CHESBRO: Aye.

5 EXECUTIVE ASSISTANT GARNER: Danzinger?

6 BOARD MEMBER DANZINGER: Aye.

7 EXECUTIVE ASSISTANT GARNER: Mulé?

8 BOARD MEMBER MULÉ: Aye.

9 EXECUTIVE ASSISTANT GARNER: Peace?

10 BOARD MEMBER PEACE: Aye.

11 EXECUTIVE ASSISTANT GARNER: Petersen?

12 BOARD MEMBER PETERSEN: Aye.

13 EXECUTIVE ASSISTANT GARNER: Brown?

14 CHAIRPERSON BROWN: Aye.

15 Thank you.

16 The consent agenda passes.

17 Items 9 revised and 10 are on fiscal consent.

18 Those items are under the market and Sustainability

19 Committee.

20 And, Howard, would you like to present Item 9?

21 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: Thank

22 you, Madam Chair. And good afternoon, Board members. I'm

23 Howard Levenson with the Sustainability Program.

24 Item 9 is consideration of grant awards for the

25 targeted RAC Incentive Grant Program. We have one grant

1 for -- one award for your consideration today to the City  
2 of Claremont.

3           Before I make the staff's final recommendation, I  
4 just want to note that we had an issue raised at the  
5 Committee meeting about criteria regarding buffings in the  
6 different grant programs and the consistency among the  
7 grant programs. We will be looking into that issue,  
8 talking with some of the stakeholders. And at the next  
9 criteria item for any of the tire-related grant programs  
10 we'll report back to you and include that for your  
11 consideration at that time.

12           So I just wanted to make sure that you knew we  
13 were acting on that comment from the stakeholders.

14           With that, staff recommends that you adopt  
15 Resolution 2008-23 revised.

16           CHAIRPERSON BROWN: Any questions by any Board  
17 members?

18           Gary.

19           BOARD MEMBER PETERSEN: No, I'd so move.

20           BOARD MEMBER MULÉ: Second.

21           CHAIRPERSON BROWN: It's been moved by Member  
22 Petersen and seconded by Member Mulé.

23           Kristen, can you call the roll.

24           EXECUTIVE ASSISTANT GARNER: Chesbro?

25           BOARD MEMBER CHESBRO: Aye.

1 EXECUTIVE ASSISTANT GARNER: Danzinger?

2 BOARD MEMBER DANZINGER: Aye

3 EXECUTIVE ASSISTANT GARNER: Mulé?

4 BOARD MEMBER MULÉ: Aye.

5 EXECUTIVE ASSISTANT GARNER: Peace?

6 BOARD MEMBER PEACE: Aye.

7 EXECUTIVE ASSISTANT GARNER: Petersen?

8 BOARD MEMBER PETERSEN: Aye.

9 EXECUTIVE ASSISTANT GARNER: Brown?

10 CHAIRPERSON BROWN: Aye.

11 Item 9 passes.

12 Next is item 10.

13 Howard.

14 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: Thank  
15 you, Madam Chair.

16 This item is consideration of the grant awards  
17 for the Tire-Derived Product Grant Program for Fiscal Year  
18 2007-2008.

19 The Committee approved the list of recommended  
20 awardees. There were 36 on the A list. But the Committee  
21 did note that there were a couple of discrepancies in the  
22 amounts of tires and the amounts of funds. And we have  
23 provided a revised item and a revised attachment that  
24 corrects those figures. There are no problems at all with  
25 the ratio of tires to dollars with those corrections.

1           So with that, staff recommends that the Board  
2 adopt Option 1 and approve Resolution No. 2008-24.

3           CHAIRPERSON BROWN: Any questions?

4           BOARD MEMBER CHESBRO: Madam Chair, I have a  
5 comment.

6           CHAIRPERSON BROWN: Member Chesbro.

7           BOARD MEMBER CHESBRO: I'm a little frustrated,  
8 as I stated at the Committee meeting, with the fact that  
9 there's an extensive B list, which I guess in past years  
10 we have gotten to. But I think we ought to be trying to  
11 better anticipate what the need is and make sure that we  
12 have the funds. And this year I hope that we will again  
13 try to fully fund the B list and not hear the temptation  
14 of the money going somewhere else, but instead make sure  
15 that all of the qualified jurisdictions are in fact  
16 funded.

17           CHAIRPERSON BROWN: Mark, when are we looking at  
18 reallocation of the tire funds -- or Howard?

19           SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: We  
20 have scheduled the tire reallocation item for April, and  
21 we're working with Waste Compliance and Mitigation and  
22 Admin and others to put that item together for your  
23 consideration.

24           BOARD MEMBER CHESBRO: But there are some other  
25 potential uses of the money besides --

1           SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: That's  
2 correct, Mr. Chesbro. There are several potential ideas.  
3 One of them is related to enforcement grants and others  
4 related to the TDP B list.

5           BOARD MEMBER CHESBRO: Well, let me express in  
6 advance my probable frustration at being asked to act as  
7 though there's not enough money and be making the priority  
8 choices, when in fact there's lots of money in the tire  
9 fund. And so I don't want -- I hope that we're not backed  
10 into a position of having to choose between good ideas and  
11 not fund things when there are enough funds available  
12 ultimately to cover all of the bases.

13          CHAIRPERSON BROWN: And I hear his frustration.  
14 In years past we've been able to fund the entire B list as  
15 well as additional projects that are part of waste tire  
16 compliance and other programs for enforcement.

17          Do we have any idea yet -- this is a total shoot  
18 from your hip -- how much we're going to have in the way  
19 of anticipated funds for reallocation?

20          SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: I'd  
21 have to check into that and report back to you. In large  
22 part it depends on number of the grant programs that will  
23 be coming to you in April and how much is expended from  
24 those. And that will be at the same time. We'll be kind  
25 of having a moving target in April in terms of how much



1 money is available.

2 CHAIRPERSON BROWN: Okay.

3 BOARD MEMBER CHESBRO: I'd also like to express  
4 the voice of long experience in observing the budget  
5 process, that money that's sitting still is money that  
6 appears to be available for other purposes. And so we  
7 also ought to be very cognizant of that. And although,  
8 you know, the courts have ruled that special funds have to  
9 be repaid, the priority of my former colleagues and --

10 CHAIRPERSON BROWN: Spend it before you get it?

11 BOARD MEMBER CHESBRO: -- and several governors  
12 is to get through the crisis that's facing them now. And  
13 so loans are not unlikely at all. And, frankly, if the  
14 money's not being used, it's hard to make an argument  
15 against it. But I think we ought to -- for the sake of  
16 the people that pay the fees and the people of the state,  
17 we ought to be trying to spend this money on what it was  
18 intended for.

19 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: I  
20 would like to note that we have a report to the  
21 Legislature due July 8th or 10th -- I can't remember the  
22 exact date -- where we were charged by the Legislature  
23 with looking at the monies in the reserve that we don't  
24 have expenditure authority for at this point and how we  
25 might use those to address the ten million tires that are

1 disposed of annually in landfills. We will be bringing a  
2 draft of that report to you next month for initial  
3 discussion. And then based on your direction in March,  
4 we'll come back in May with a final report. But that will  
5 certainly be the opportunity to look at future  
6 expenditures of those surplus funds.

7 CHAIRPERSON BROWN: Okay. And just my quick  
8 math, Item -- list B is 1.4 million. And unallocated RAC  
9 funds at this point of the year, not anticipating what  
10 we're going to get next month, we have 2.4.

11 So I would assume that we will be able to fully  
12 fund item list B. I mean with my cloudy crystal ball, not  
13 seeing RAC funds and grant requests for next month but as  
14 we get to it, I would anticipate that we're not going to  
15 be spending anywhere near \$2.4 million when it's taken  
16 us -- so far we've only got 2.6 out the door. So  
17 hopefully. But that's my cloudy crystal ball.

18 Any other questions?

19 BOARD MEMBER PEACE: Yeah, Madam Chair, if I  
20 could make a comment on this item just as it relates to  
21 eligibility -- applicant eligibility.

22 Next time around -- I realize that my feelings  
23 may be different from my fellow Board members on this  
24 suggestion. But I would like to see for consideration an  
25 option to limit the applicants to only public

1 organizations, as it was in the past, the next time we  
2 look at applicant eligibility for this program. This is  
3 why, number one, after extra work by our staff, no private  
4 schools or community housing development organizations  
5 even applied. And since they can't apply for tracks or  
6 playground cover, chances are there won't be any or many  
7 applicants anyway.

8           And, second, and more importantly, if a private  
9 school did apply, say, parking lot stops, for example, and  
10 that school parking lot happened to also be the church  
11 parking lot, we are walking I think a very fine line in  
12 terms of legality, where we as Board members could be held  
13 personally liable if after the fact someone complained and  
14 it was determined to be a gift of public funds. Board  
15 members could be held personally liable for reimbursing  
16 the state.

17           And relying on a legal opinion from our staff  
18 that says we can grant money to private organizations for  
19 things not related to education is something that can  
20 really be left open to interpretation. And two years ago  
21 the Supreme Court ruled that the fact that legal  
22 counsel -- the legal counsel of, say, a board or a  
23 commission has in their opinion said it was okay has been  
24 ruled is not a defense. And to me the law is too obscure  
25 and there's no reason to be taking an unnecessary risk.

1           So for me, I'd like that option -- to see that  
2 option again next time. If you don't vote for it, that's  
3 fine. But I would like to see it as an option to vote for  
4 next time.

5           And also another change I would like to see as an  
6 option for consideration next time around is to change the  
7 stipulation that the same entity can only apply every  
8 two years to an entity can't apply for the same site  
9 two years in a row. And the reason for that is some  
10 school districts might only have one, two, three schools.  
11 But I know school districts in San Diego and L.A. -- I  
12 mean our high school districts have 10, 11, 12, you know,  
13 high schools in their district. And I think all high  
14 schools should be given an equal chance to apply for those  
15 funds. I mean schools are -- they're having fund raisers,  
16 they're working on putting these tracks in. And if the  
17 district as the entity has to say, "Okay, you can apply  
18 this year. But you, school, you might be ready, but you  
19 have to wait. Your turn is ten years from now on the  
20 list," I just kind of think that's unfair to those  
21 schools. And I almost think we should be treating those  
22 schools as an entity and not as the district. Because if  
23 you say -- if you have those eleven schools or whatever in  
24 your district and you have to give them kind of all a  
25 number on when they can apply, it could be 22 years before

1 that school gets a chance to apply. And I think all  
2 schools should be given an equal chance, go through the  
3 lottery system, you know, the application and the lottery  
4 thing on an equal grounds.

5 So those are my two suggestions. If possible, we  
6 could see those options next time the eligibility criteria  
7 comes around.

8 CHAIRPERSON BROWN: I think we need to discuss  
9 them next year when we start talking about the eligibility  
10 criteria.

11 BOARD MEMBER PEACE: Oh, right, right.

12 CHAIRPERSON BROWN: We fully exhausted your first  
13 item this last year, and we deferred it as a Board to our  
14 legal counsel. They made a determination and the Board  
15 supported it. I will have a hard time re-raising that  
16 issue again after we've already resolved it at the Board  
17 level. We've deferred to our legal counsel. We have  
18 legal counsel for a reason. And I understand what you're  
19 raising, Member Peace. However, community development  
20 organizations and others have the same opportunity for  
21 funds because they are tire funds that every single  
22 citizen in this state pays into. And I think that every  
23 organization including community development organizations  
24 should have the same opportunity to apply for the funds.  
25 And we deferred the legal question to our legal counsel.

1 They gave us a decision. The Board supported their  
2 decision and we opened it up to that level. And I think  
3 that we've exhausted that item.

4 If we want to open up the eligibility criteria to  
5 other issues and you want to re-raise that again next  
6 year, then we will, you know, direct staff next year to do  
7 it that way. I'm not going to give them a to do list at  
8 this point on that item.

9 Any other discussion around this agenda item that  
10 we have before us?

11 Can I have a motion?

12 BOARD MEMBER PETERSEN: Madam Chair, I'd like to  
13 move Resolution 2008-24.

14 BOARD MEMBER MULÉ: Second.

15 CHAIRPERSON BROWN: It's been moved by Member  
16 Petersen and seconded by Member Mulé.

17 Kristen, can you call the roll.

18 EXECUTIVE ASSISTANT GARNER: Chesbro?

19 BOARD MEMBER CHESBRO: Aye.

20 EXECUTIVE ASSISTANT GARNER: Danzinger?

21 BOARD MEMBER DANZINGER: Aye.

22 EXECUTIVE ASSISTANT GARNER: Mulé?

23 BOARD MEMBER MULÉ: Aye.

24 EXECUTIVE ASSISTANT GARNER: Peace?

25 BOARD MEMBER PEACE: Aye.

1 EXECUTIVE ASSISTANT GARNER: Petersen?

2 BOARD MEMBER PETERSEN: Aye.

3 EXECUTIVE ASSISTANT GARNER: Brown?

4 CHAIRPERSON BROWN: Aye.

5 The item passes.

6 That exhausts our fiscal consent.

7 Item 6, 12, and 14 were items that were heard at  
8 our Committee only. There were no items pulled this  
9 month.

10 And Item 1 revised, 8, 11, 14, 15, 16, and 17  
11 will be heard by the full Board. And I'd like to defer  
12 and move to Item 8 first, which is a presentation, if we  
13 could do that.

14 And, Member Petersen, would you like to introduce  
15 our presenter.

16 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

17 Well, I'm delighted to introduce Leslie  
18 McLaughlin, who's a program director, Innovative Division,  
19 Integrated Solid Waste Management Program for the  
20 United States Navy.

21 We were in San Diego and had the pleasure of  
22 getting a full -- or obtained a full briefing on the  
23 program that's been run at the Navy base in San Diego.  
24 And being in the recycling business for a long, long time  
25 and seeing what was developed in a very short period of

1 time, within three years, I believe -- or two years, they  
2 went from a little recycling to a whole mess of recycling.  
3 And it was due to Leslie here. And I decided, wow, this  
4 is a story that this Board needs to hear about what the  
5 Navy's doing in California.

6 So, Leslie, welcome. And can't wait for you to  
7 tell the story.

8 (Thereupon an overhead presentation was  
9 presented as follows.)

10 MS. McLAUGHLIN: Great. Thank you.

11 Thank you very much. It's an honor to be here.  
12 I was scheduled to be here last week and ended up getting  
13 ill. So I'm glad that you're still interested in hearing  
14 what we have to say.

15 It's an honor to be here and to talk about our  
16 program.

17 --o0o--

18 MS. McLAUGHLIN: I want to first talk about what  
19 the parameters are of the program. And the first thing we  
20 do is we define solid waste as that which is in the  
21 Resource Conservation Recovery Act. And it seems like  
22 that's a "duh," no-brainer to solid waste professionals.  
23 But to the layman, it very much helps to broaden the  
24 concept to someone like a commanding officer of a Navy  
25 installation, that solid waste is much, much more than



1 what is hauled off on his refuse contracts. And so by  
2 being able to use that definition and broaden the scope,  
3 it helps us to better change the paradigm of what we're  
4 really here to do as an integrated solid waste management  
5 program; and, that is, to divert solid waste and not to  
6 put it into the landfill.

7 I first want to go back and say that I should  
8 have said this. I'm from Command Navy Region Southwest.  
9 And it's the states of California, Arizona, Nevada, New  
10 Mexico, Utah, and Colorado. And of course most of our  
11 installations are in California. We have one large  
12 installation in Nevada, a small installation in Arizona.  
13 And then we have reserve facilities in the other three  
14 states. So most of when I talk about the program, when I  
15 talk about a heavy concentration in the San Diego area,  
16 but also we have ten large recycling facilities in the  
17 State of California and four smaller ones that are in the  
18 State of California as well.

19 We exist to divert integrated solid waste. And  
20 we have a diversion rate in 2007 of 76 percent. And much  
21 to my dismay, it was down from a diversion rate in 2006 of  
22 84 percent. And the difference is in 2006 Navy housing  
23 was demo'd. Several very large projects in which we did  
24 deconstruction. And we had a significant amount of  
25 diversion from those projects. And that's why we had more

1 waste to divert in 2006 than 20007. But we still can --

2 BOARD MEMBER CHESBRO: Can I ask, is the 76  
3 percent within the states that you just described within  
4 your region or --

5 MS. McLAUGHLIN: Yes. The only one -- 76 percent  
6 includes that facility in Nevada as well. But most of  
7 that is in the State of California.

8 --o0o--

9 MS. McLAUGHLIN: We take that definition of solid  
10 waste and we put it into something that's manageable. And  
11 so we've divided up into four different categories. Each  
12 different division has a division manager that manages  
13 that type of waste region-wide.

14 And first is your traditional recycling  
15 operations; and then of course construction and demolition  
16 debris, which is our largest waste stream.

17 Military industrial waste is mostly scrap metal,  
18 but it also incorporates those types of material that  
19 needs special handling due to the necessity for  
20 demilitarization, such as things like used brass shells on  
21 firing ranges. The military industrial waste and scrap  
22 metal is heavily concentrated in the San Diego region, and  
23 it's 75 to 80 percent of what generates our recycling  
24 revenues.

25 And then of course there's our refuse contracts.

1           And one of the things that I didn't put on here  
2   that I've just recently made as a fifth division is  
3   disaster debris management. And the concept of disaster  
4   debris management is to ahead of time plan for the concept  
5   of diversion actually in the emergency management and also  
6   in the attempts to decrease the cost of disaster debris  
7   management.

8                               --o0o--

9           MS. McLAUGHLIN: We have what's called a DOD  
10   Qualified Recycling Program in order to be able to sell  
11   commodities which is considered to be bought with  
12   government-appropriated dollars. We have large criteria  
13   of what we are and are not allowed to do. And the  
14   Qualified Recycling Program establishes those criteria and  
15   those regulations. Anything from what kind of sales  
16   contracts that we have -- government sales contracts, to  
17   what kind of account we put our money in, to what we are  
18   allowed to sell and what we're not allowed to sell is all  
19   incorporated into the Qualified Recycling Program Guide,  
20   which is a DOD guidance.

21           The Qualified Recycling Program we have several  
22   years ago, as Gary said, rolled up to be one program  
23   within the region. And what that means is we have one  
24   sales mechanism. Whether we're selling scrap metal in San  
25   Diego, cardboard in China Lake, or glass bottles in El

1 Centro, all of those contracts are let and done out of my  
2 office down in San Diego. And what that does is it allows  
3 us to be accountable and have the program legitimate.

4 But most importantly what it allows us to do is  
5 it allows us to share revenues throughout the region. So  
6 a facility like El Centro, that would not be able to have  
7 a robust program because they're selling glass and plastic  
8 and paper, is equitable to a program such as Naval Base  
9 San Diego where there is the ships that generate a large  
10 quantity of scrap metal. So that was the concept of  
11 operations around having one qualified recycling program  
12 and one sales mechanism.

13 And what we have found over the years is that of  
14 course what we do -- how we prove to be able to exist is  
15 to be able to lower the cost of refuse contracts. And it  
16 also allows us to be able to boast that 76 percent  
17 diversion by being able to focus on what stays out of the  
18 landfill.

19 --o0o--

20 MS. McLAUGHLIN: So I want to focus specifically  
21 on construction and demolition debris because it gives a  
22 window into our philosophy and into our paradigm, and it's  
23 our largest waste stream.

24 We in the Navy are fortunate, I guess in some  
25 ways you would think -- in other ways not so fortunate --

1 that the City of San Diego actually operates the city  
2 landfill on Department of the Navy property. And there's  
3 a lease agreement between the Department of the Navy and  
4 the City of San Diego that the Navy gets free tipping as  
5 long as that landfill is open.

6 And so the city came to us at the end of -- in  
7 1998 and said that there is absolutely no way that they're  
8 ever going to be able to reach AB 939 goals unless the  
9 Navy got their construction and demolition debris under  
10 control. At that time, in 1998, we were 25 percent of  
11 what was currently going into the Miramar landfill. And  
12 so it was a struggle. And why I said it's great to have  
13 free tipping, it was very difficult to go and tell the  
14 Navy that, "You just can't put in to the landfill what you  
15 want to put into the landfill now," because a lot of times  
16 the answer would come back and say, "Well, you know, it's  
17 our property. We can do with it what we want." And so  
18 the city and the Navy got together and it was really an  
19 education.

20 At that time the landfill was expected to close  
21 in 2007. And it's estimated that it will be -- and I  
22 think this is a very low number -- an increase of \$6  
23 million annually in just refuse disposal -- now, that's  
24 that 24 percent of solid waste that we're talking about --  
25 \$6 million more annually in refuse contracts once that

1 landfill closes. And so once we started educating the  
2 construction -- the Navy construction industry, we had a  
3 very easy time of incorporating and developing what was  
4 first an environmental program, an environmental policy,  
5 and is now a facilities policy. And I think that's very  
6 significant. And I will refer to that as -- it's Command  
7 Navy Region Southwest Construction 11350.

8           And what we do is require, like a lot of  
9 municipalities do now, require contractors to submit a  
10 solid waste management plan. And they upfront in their  
11 planning process have to estimate how much they're going  
12 to take to the landfill. And when they do that, they are  
13 only given landfill coupons out of my office for what they  
14 ultimately have planned for. And the policy says that  
15 they have to have at least 50 percent reduction.

16           So what you can -- probably a pretty good guess  
17 is they put in a plan that has about 50.4 and 51.02  
18 percent diversion. And overall now we're reaching an  
19 average of 77 percent diversion on our construction and  
20 demolition debris program.

21           It's trying to hang on to a tiger by its tail,  
22 construction and demolition debris management.

23           And so we -- in 2004, I saw a presentation on a  
24 mapping system, and it was a GIS system. And I was  
25 sitting in the room. And on a napkin I scribbled, "Oh, my

1 gosh, what a wonderful way to be able to track and manage  
2 construction and demolition debris," by using a  
3 construction industry, which it was at the time, a  
4 construction industry mapping system that they were  
5 already familiar with.

6 And so we tagged along on that program. And it  
7 came to my attention that with the GIS system and the way  
8 technology was moving forward, that there was probably  
9 even a better mapping system to use. And so I went to the  
10 Space and Warfare Center in San Diego, and they told me  
11 about a system that was being developed for the use of  
12 antiterrorist force protection, which is a combination of  
13 Sharepoint, which allows it to be web-based; Google Earth;  
14 and Virtual Earth. And I don't know if any of you or -- I  
15 hope all of you have been on Google Earth. It's sometimes  
16 like playing video games. It's fun to just go in and use.

17 And so I made the decision that we would go from  
18 a GPS mapping system to what we call One Clear Picture  
19 Mapping System.

20 --o0o--

21 MS. McLAUGHLIN: And so the first thing that we  
22 developed is a website, ISWMP.net -- www.ISWMP.net. And  
23 this is our home page. And you could probably see that  
24 it's like I'm talking about my child when I talk about  
25 this, because it's something that has really drastically

1 increased not only the visibility of the program, but the  
2 partnership between the construction industry folks and  
3 the military construction community and our integrated  
4 solid waste management program.

5           So there's different tabs once you -- it's  
6 password protected because of the maps and Navy  
7 information.

8                               --o0o--

9           MS. McLAUGHLIN: But you would go to the  
10 Construction and Demolition Debris tab. And what you find  
11 here is a list. This is Naval Base San Diego on a list of  
12 46 projects, including 36 buildings. So it also includes  
13 things like repaving of roads and streets.

14           And so if you -- once you get into this program,  
15 you could go and you can click on one of the projects.

16                               --o0o--

17           MS. McLAUGHLIN: And you can go -- and first  
18 you'll see the mapping. This is all the construction and  
19 demolition debris projects that are on Naval Base San  
20 Diego. There's four categories: The construction,  
21 demolition, repair, and renovation. And then each one of  
22 them are in a different state of whether they're  
23 scheduled, funded, in progress, or completed. And so you  
24 can see why this would be very interesting to the  
25 construction industry, because they look at this and say,



1 "Wow, you know more about what's going on on the  
2 construction on this Navy base than we do." And I say,  
3 "Yes, we absolutely do," as we very well should because  
4 we're managing the construction and demolition debris.

5 --oOo--

6 MS. McLAUGHLIN: If you click on one of those  
7 icons, it goes to a site where a construction project is.  
8 This is a very large construction project of three high  
9 towers, a housing facility that's going in on this plot of  
10 property. If you click the icon, what comes up is a  
11 worksheet. And that work sheet identifies not only  
12 general construction information, which we need in order  
13 to be able to track the projects, but it also gives the  
14 solid waste information that comes off of the monthly  
15 reports that we are getting from the contractors.

16 Now, that is a very important thing to know,  
17 because they -- we are actually getting this information  
18 from the contractors. We're not going out and seeking it.  
19 They're bringing it to us. And what the program does is  
20 it allows us, once we have a project into the system, once  
21 we put the information into the system, such as what we  
22 receive on a monthly basis, tons land fill to tons  
23 diverted, the percent that's been diverted, and then the  
24 cost of diversion, the cost of the landfill, we can  
25 ultimately -- the program ultimately calculates out the

1 cost avoidance.

2 --o0o--

3 MS. McLAUGHLIN: And that has been one of the  
4 most spectacular things of the whole program, because now  
5 we can actually prove that it is more environmentally  
6 sustainable to divert solid waste off of a construction  
7 site. It's more economically feasible to do that than it  
8 is to land fill.

9 And unfortunately your audience -- and the  
10 project that I'm going to talk about is this particular  
11 project right here, and unfortunately is the one that  
12 doesn't show up. Isn't that always the case. Oh, The  
13 best laid plans, right?

14 This was a very large construction project that  
15 was a Department of Defense funded project, not a  
16 Department of the Navy funded project. It was the largest  
17 commissary that has ever been built for military personnel  
18 in the world to date. And it was a company in Texas that  
19 came into San Diego. And they said, "Solid waste  
20 management plan. What are you talking about?" And "What  
21 do you mean, solid waste diversion? Oh, you  
22 Californians." And so we told them, "Yes, you will not  
23 get coupons to go to the landfill until you do a solid  
24 waste management plan." And so of course, like I said  
25 before, it was 50.2 percent that they said that they were

1 going to divert.

2 I want to get to my place on my presentation so  
3 that I can actually read these numbers.

4 Well, what we found is -- and this is typical,  
5 this is very, very typical. What we found is that once  
6 they started source separating and once they started  
7 realizing, you know, "we can look at solid waste as a  
8 commodity," they started diverting much more than we had  
9 ever anticipated. They ended up having over 79 percent,  
10 almost 80 percent diversion rate. And if you look at  
11 those numbers, which you can't see -- I'm hoping that the  
12 folks with computers can see it -- the cost of diverting  
13 80 percent was around \$50,000. The cost to landfill the  
14 remaining 20 percent was \$215,000. And so the overall --  
15 if they would have taken that 80 percent to the landfill,  
16 it would have cost them over a half a million dollars more  
17 to do this project if they wouldn't have diverted.

18 And so when we started doing this project and we  
19 programmed in -- deliberately programmed in, the program  
20 being able to calculate the cost avoidance from inputting  
21 the information that we get on our monthly reports. And  
22 we thought, well, you know, it's going to be -- if we're  
23 breaking even, we're going to be really good; and if we're  
24 not, we can justify it by saying, you know, you have to  
25 save landfill space. We were actually -- once we started

1 doing this and started seeing these numbers, these real  
2 numbers, we were actually really truly shocked at the  
3 actual savings of recycling and diverted solid waste.

4           And so we're at a 77 percent diversion. One of  
5 the things that we're doing as the next step for the  
6 construction project is we're looking at -- we're working  
7 with the lawyers to look at our sales mechanism. And you  
8 think, well, how can a sales mechanism selling scrap  
9 metal, for instance, help in diverting -- or the  
10 construction and demolition debris program? We have a lot  
11 of buildings that are 75 percent steel that need to come  
12 down and they're on demolition lists. And they cost  
13 anywhere between 300,000, 325,000, 400,000 for a  
14 demolition crew to come in and take down. And so we had  
15 the opportunity and was brought up the opportunity to why  
16 don't we look at bringing in a scrap metal dealer with a  
17 shear and use our sales contracts to deconstruct the  
18 building.

19           And so not only now are we doing what would be a  
20 no-cost-to-the-government sales contract for the scrap  
21 metal, but we're then saving hundreds of thousands of  
22 dollars on the other end instead of doing demolition.  
23 Some of these buildings we are going to be able to get --  
24 or in the past we've had 99.5 percent diversion rate on,  
25 which is just absolutely phenomenal.

1           And the ones that we're working on right now,  
2 we're almost positive we're going to be able to have  
3 100 percent diversion rate on these buildings. And that  
4 has been an incredible sales mechanism for myself as the  
5 integrated solid waste manager. You know, people come and  
6 see me -- they see me coming -- commanding officers see me  
7 coming and say, "Why in the world should I be so  
8 interested in trash? I mean, you know, she's an hour on  
9 my schedule. She's the trash lady." And then when I  
10 start talking about the deconstruction of the buildings  
11 and the construction and demolition debris and show them  
12 this slide, then the program becomes so much more  
13 significant than, well, the little can that we're putting,  
14 you know, a piece of paper in and recycling. And that's  
15 also been a big advantage of defining the program as with  
16 being RICRA-based with the definition coming from the  
17 Resource Conservation Recovery Act, to get the idea that  
18 we are a bigger entity than the trash that you put in your  
19 trash can and that piece of paper that you put in your  
20 office recycling bin.

21                               --o0o--

22           MS. McLAUGHLIN: So our next step -- I have other  
23 initiatives, but it's actually our next step. And of  
24 course where else would we go but zero waste and zero  
25 waste planning. And I was in a zero waste presentation

1 and I told them, "When I say we're going to do zero waste,  
2 I mean we're going to do zero waste." And it's just like  
3 construction and demolition debris. If we put it into a  
4 policy, we're going to do it. So we're right now in the  
5 process of looking at "why are we calling ourselves an  
6 integrated solid waste program?" Why are we doing that,  
7 when we're -- only 24 percent of what we're handling, in  
8 2006 16 percent of what we're handling, is actually waste?  
9 So we're in the process of changing.

10 And it's not going to be an easy one, because  
11 people are telling me all the time, "Look, you just got us  
12 calling you integrated solid waste instead of refuse. And  
13 now you're going to change everything again? Come on.  
14 What are you thinking?" But I think it's important to do  
15 that.

16 We're going to become a solid resource recovery  
17 program. I'm not exactly too sure what we're going to  
18 call ourselves yet. We have to be very careful of the  
19 acronym. The can't call ourselves the Solid Resource  
20 Management because SRM is already a construction industry  
21 acronym. And of course, being in the Navy, we have to be  
22 very careful with our acronyms. We're going to end up  
23 with two or three of them by the time we're through.

24 So our zero waste management plan is going to  
25 change us from being an integrated waste program to a

1 solid resource recovery program. Whatever we end up  
2 calling ourselves, it's what we are, not what we call  
3 ourselves that matters any way.

4           And so that will incorporate waste to energy.  
5 We're looking at what we need to do when that landfill  
6 closes. And so zero waste policy is a perfect thing to  
7 do. And what we want to do is not to say, well, waste to  
8 energy is going to get us to that, you know, almost zero  
9 waste, 90 percent diversion. But in our zero waste  
10 policy, waste to energy is what we're going to do after we  
11 do our zero waste policy. And so that's the selling point  
12 that we're going to use in order to sell the concept of  
13 waste to energy.

14           And then of course the disaster debris management  
15 is a very big issue. This technology is being used for  
16 emergency management as well. And it's been used as a way  
17 to partner with outside communities and municipalities.  
18 And so it's a very easy step to use the technology that  
19 you just saw to reach out and to touch the emergency  
20 management community and to let them know that, you know,  
21 the way you manage solid waste is going to be very  
22 important in how soon you recover from a disaster. And  
23 it's not just a matter of thinking that you're going to  
24 have a waste hauler to come in and haul everything away.  
25 But now you have to start planning for diversion as well,

1 because it's going to be part of the zero waste policy as  
2 well.

3 --o0o--

4 MS. McLAUGHLIN: Then, in conclusion, we exist to  
5 divert. We've proven that it's a more effective way of  
6 doing business. And usually when I say that, I'm pounding  
7 on the desk and stomping my foot because it is proven.  
8 And one of the things I think that is so important to the  
9 message is that we've proven that environmental  
10 sustainability goes hand in hand with economic feasibility  
11 of how you handle hazardous waste -- or solid waste.  
12 Excuse me.

13 Thank you very much. Do I have time to entertain  
14 questions?

15 CHAIRPERSON BROWN: Thank you very much. That  
16 was a great presentation.

17 Any questions?

18 Gary.

19 BOARD MEMBER PETERSEN: No. Just thank you,  
20 Leslie.

21 MS. McLAUGHLIN: Sure.

22 BOARD MEMBER PETERSEN: It's great to see -- we  
23 did our first military recycling program back in 1978.  
24 And to do -- and to watch to see how this evolved, when  
25 the military decides to do something, they do it. But



1 what Leslie's done with her program is phenomenal, and  
2 you're to be congratulated.

3 MS. McLAUGHLIN: Well, thank you very much.

4 BOARD MEMBER PETERSEN: Thank you very much for  
5 coming to share it.

6 MS. McLAUGHLIN: I take that on behalf of my  
7 staff as well, because I've some awesome people who  
8 I've --

9 BOARD MEMBER PETERSEN: All your staff, the whole  
10 Navy. How's that?

11 MS. McLAUGHLIN: Well, thank you.

12 BOARD MEMBER DANZINGER: I'll echo that. We want  
13 to give props to the whole Navy. Yeah, that's great.

14 MS. McLAUGHLIN: Well, we are more than happy to  
15 have guests as well. So we have a very -- we have  
16 consolidated all of our recycling facility operations in  
17 Naval Base San Diego. And so you're more than welcome if  
18 you're in San Diego and you want a tour or you have  
19 additional questions, please visit us.

20 BOARD MEMBER PETERSEN: And you can have lunch  
21 too, right?

22 MS McLAUGHLIN: Absolutely.

23 CHAIRPERSON BROWN: Next time Jeff's down there  
24 on duty, we'll make sure that he goes by and does a tour  
25 and an inspection.

1           BOARD MEMBER DANZINGER: I'm in North Highlands,  
2 so I get to see some of this from time to time. It's  
3 really impressive.

4           MS. McLAUGHLIN: Oh, thank you.

5           BOARD MEMBER DANZINGER: So thanks for coming up.

6           MS. McLAUGHLIN: Please do stop by. Love to have  
7 you.

8           BOARD MEMBER DANZINGER: And thank you, Gary,  
9 for -- '78 working with the military to do the recycling,  
10 huh?

11           BOARD MEMBER PETERSEN: And a name change too.  
12 How about it.

13           CHAIRPERSON BROWN: We're not even going to go  
14 there. That's a whole another discussion. And Jeff knows  
15 you were using it for cover.

16           Thank you, Leslie. I appreciate it very much.

17           MS. McLAUGHLIN: Thank you very much.

18           BOARD MEMBER PEACE: Leslie, being from San  
19 Diego, thank you very much. I'm sure the city appreciates  
20 as well.

21           I notice that your emblem said the Navy Region  
22 Southwest.

23           MS. McLAUGHLIN: Yes.

24           BOARD MEMBER PEACE: I mean are you only doing  
25 this in California because of the -- requirement? Is the

1 Navy doing this other places?

2 MS. McLAUGHLIN: I have counterparts and -- I  
3 have counterparts. And there's eight regions  
4 throughout -- Navy regions throughout the world. And I  
5 have a counterpart in Hawaii and Northwest and in  
6 mid-Atlantic. But of course we boast that we're  
7 absolutely the best. And basically they do not have a  
8 construction and demolition debris program as robust as  
9 ours. And we truly are going to be leading the way for  
10 disaster debris management and how we go about planning  
11 disaster debris management as well.

12 So, yes, I do have counterparts. But there is  
13 some very unique aspects about the Southwest that we're  
14 very proud of.

15 BOARD MEMBER PEACE: Okay. Thank you.

16 MS. McLAUGHLIN: Thank you.

17 CHAIRPERSON BROWN: Thanks, Leslie.

18 Okay. Now we'll move to the regular part of our  
19 agenda and items before the full Board designated under  
20 the Permitting and Compliance Committee.

21 And I'll ask Committee Chair Mulé if she wishes  
22 to make a brief Committee report.

23 BOARD MEMBER MULÉ: Thank you, Madam Chair. Just  
24 very briefly.

25 We did hear four permit items. One we will hear

1 in front of the full Board.

2 We also -- on consent was the mammalian tissue  
3 composting regulations, a joint powers formation for the  
4 Imperial Valley Resource Management Authority in  
5 committee. Only we did hear an update on the long-term  
6 financial assurances activities for post-closure  
7 maintenance and corrective action.

8 So that concludes my report. Thank you.

9 CHAIRPERSON BROWN: Thank you, Member Mulé.

10 And we'll move first to Board Item 1,  
11 consideration of the new full solid waste facility permit  
12 for the Cold Creek Compost Facility.

13 And, Ted, you're doing the presentation.

14 WASTE COMPLIANCE AND MITIGATION PROGRAM DIRECTOR

15 RAUH: Thank you, Madam Chair. I'm Ted Rauh. I'm the  
16 Program Director for the Waste Compliance and Mitigation  
17 Program. And I'd like to just make a few brief  
18 introductory remarks. And then at your pleasure, we can  
19 make a more comprehensive presentation if you'd like.

20 The Cold Creek Compost Facility currently  
21 operates under a standardized composting permit and is  
22 seeking a full solid waste permit to continue operation.  
23 The facility is a key part of the Mendocino County's Waste  
24 Management and Diversion Program.

25 The facility has had odor management problems and

1 is the subject of a private nuisance suit. Information  
2 about that suit is in the Board packet. The current court  
3 order includes odor management provisions.

4 The LEA and operator have worked with staff to  
5 ensure that these provisions are incorporated into the  
6 permit before you today.

7 When the item was presented to the Committee,  
8 staff was directed to further review the consistency of  
9 the permit with the odor management provisions in the  
10 court order. This has been done. And the permit, as I  
11 said, before you today is fully complementary and  
12 consistent with those court order provisions.

13 Staff is also continuing to work with the LEA to  
14 identify any methods that can be employed by the operator  
15 to identify conditions that are precursors to odor events,  
16 so that preventative measures may be implemented in the  
17 future. Results of this effort will be part of the  
18 expected permit revision planned for this facility within  
19 the next few months to a year.

20 The Committee also directed the staff to explore  
21 with the LEA the odor complaint system that is in place at  
22 the current time. And we have done that. And the LEA has  
23 assured us that all odor complaints of any type will be  
24 included in their inspection reports and provided to the  
25 staff in a timely basis each month.

1           The Committee also directed the staff to provide  
2 a quarterly report of the facility's compliance and to  
3 conduct monthly inspections over the next six months.  
4 Staff is prepared to comply with this direction but  
5 suggest the following modification: We suggest that the  
6 odor complaint data be used to help us focus staff  
7 inspections and that we would conduct site visits for the  
8 first two months to make sure that the conditions and  
9 provisions of the permit are in place.

10           Then we suggest that because we have information  
11 to believe that the odors are caused in certain  
12 circumstances both by the type of material received by the  
13 facility and by weather conditions, that we time our  
14 inspections to be taking place when those kinds of events  
15 are expected to occur, which at this point we think most  
16 likely will be in the fall. But the earlier item I  
17 discussed in which we're working with the LEA to look at  
18 both meteorological data and the impacts -- or when these  
19 impacts occurred will help us better target when those  
20 inspections should take place.

21           With your concurrence on that, that's the  
22 approach we'd take and report on our findings on a  
23 quarterly basis to the Committee as directed.

24           With that, that completes my opening remarks. I  
25 would like to indicate that Reinhard Hohlwein is here to

1 make a more in-depth presentation if you care to hear that  
2 today.

3 CHAIRPERSON BROWN: I'm not sure we have to do  
4 that. I think that -- it sounds like you followed through  
5 on all the requests for direction by the Committee. And  
6 I'll actually defer to Committee Chair Mulé to respond to  
7 your proposal and seek concurrence from the Board.

8 BOARD MEMBER MULÉ: Thank you, Madam Chair.  
9 Yeah, I was just wondering if maybe for this year we  
10 couldn't conduct the inspections along with the LEA. So  
11 we have at least going through the nine months rather than  
12 six months. So we cover that period of time where we  
13 think we're going to have the odor issues, which is the  
14 fall, which is the grape harvesting season. And that way  
15 I think we'll reassure ourselves as well as the  
16 stakeholders that we've been there, we've been out there  
17 and on a monthly basis, you know, from now until through  
18 the end of the harvest season, so we have a record of  
19 joint inspections and conducting those.

20 I would feel more comfortable being there for  
21 monthly inspections through the harvest season. But  
22 that's my recommendation to the Board. It's up to the  
23 rest of the Board to weigh in on that.

24 BOARD MEMBER DANZINGER: I'm fine with that. I  
25 mean my recollection may be wrong, but I actually thought

1 that's what we were sort of contemplating in the

2 discussion. It may not have been clear, but I think that

3 was my mind-set, you know, in the Committee meeting.

4 BOARD MEMBER PEACE: Yeah, because I thought we'd

5 mentioned a longer period and you came back with a shorter

6 period, from what I understand. Is there a reason? Staff

7 load? I mean what --

8 WASTE COMPLIANCE AND MITIGATION PROGRAM DIRECTOR

9 RAUH: Actually what I heard the Committee direct us to do

10 were to conduct inspections for the next six months with a

11 staff report on a quarterly basis thereon.

12 What I was suggesting actually is a little bit

13 different. It would have us do inspections for the spring

14 period where there are rain events and potentially weather

15 patterns. And then during the summer when it's very dry

16 we'd continue to rely on the LEA's inspections, unless we

17 found reason to go out. But we would pick our inspections

18 back up in the fall and carry through the fall.

19 So I was still intending to inspect at least six

20 times.

21 But, you know, again it's just what I heard from

22 you. I may not have heard that correctly.

23 BOARD MEMBER MULÉ: I just suppose, Madam

24 Chair -- yeah, I just supposed that given the history of

25 the odor complaints with this facility, I mean they're



1 longstanding, I would be more comfortable if you would  
2 accompany the LEA on every inspection now through the  
3 harvest season. So let's look at the next nine months or  
4 through the end of the year. That's my feeling on the  
5 issue.

6 CHAIRPERSON BROWN: Okay. Any objection from any  
7 Board members?

8 Okay. We're directing you to do it through  
9 the -- to do your monthly inspections concurrently with  
10 the LEA through the harvest season in the fall.

11 WASTE COMPLIANCE AND MITIGATION PROGRAM DIRECTOR  
12 RAUH: Understood.

13 CHAIRPERSON BROWN: Whether that's October,  
14 November, whenever the harvest is complete.

15 Any other questions from Board members?

16 BOARD MEMBER PEACE: I just had one other  
17 question.

18 I read -- all the changes to the permit were made  
19 as requested by the Committee. So I thank you for that.

20 I just had one other question on the permit on  
21 No. 16E, so it's page three. So it was changed as  
22 directed that we're going to record all complaints, just  
23 not all written complaints.

24 I guess my question was going to be to the  
25 operator. Are they here?

1 WASTE COMPLIANCE AND MITIGATION PROGRAM DIRECTOR

2 RAUH: Yes.

3 CHAIRPERSON BROWN: I'm sure they're here. We  
4 have four speakers.

5 BOARD MEMBER PEACE: I just want to ask a  
6 question of the operator.

7 MS. VERES: Good afternoon.

8 BOARD MEMBER PEACE: Hi. In terms of the  
9 complaints, do you have a phone number that's readily  
10 accessible to the public? Are you in the phone book or --

11 MS. VERES: For the facility.

12 CHAIRPERSON BROWN: I'm Sorry. For our records  
13 and the court reporter, can you identify your name.

14 MS. VERES: Of course. My name's Jane Veres.  
15 I'm here to represent Cold Creek Compost. I'm their  
16 permitting consultant.

17 I would like to also take the opportunity to  
18 apologize. Mr. Millick wasn't able to get here. He was  
19 planning to be here and had a personal emergency.

20 Yeah, our data is all over the place. I mean  
21 it's on the Mendocino County website as well as on your  
22 own website. We don't have our own website yet, but we do  
23 have, yes, public access to all the information.

24 BOARD MEMBER PEACE: Okay. And also is there  
25 someone to answer the phone then during business hours?

1 Is there always someone there to answer it?

2 MS. VERES: The office is staffed between eight  
3 and three.

4 BOARD MEMBER PEACE: Do you have an answering  
5 machine in an off -- off hours do you have an answering  
6 machine that will take -- could take complaints in the off  
7 hours?

8 MS. VERES: Yes. I just want to emphasize, I  
9 think I mentioned at the P&C Committee, we would welcome  
10 phone calls from anybody. Because the sooner that we hear  
11 something from someone, the sooner we can act.

12 BOARD MEMBER PEACE: Right, exactly.  
13 Could you maybe just explain to me then what your  
14 procedure will be if you got a phone call about a  
15 complaint? What's your procedure going to be?

16 MS. VERES: The procedure that we've revised over  
17 the course of this year is when we receive a call, what we  
18 do initially is go to the complainant's residence or  
19 property, first of all. Obviously we have to try an  
20 assess the odor. What we actually have is -- that is  
21 normally done in conjunction with the LEA. And for the  
22 first time this year we've had another neighbor go out  
23 with the LEA, so that they're both there to confirm the  
24 odor. And then the idea is that if they confirm an odor  
25 there, they first have to -- Trey, who's the LEA

1 inspector, has to determine whether it's a moderate odor  
2 or strong odor. If it's there -- and also whether or not  
3 it's coming from Cold Creek. Because we're in an  
4 agricultural neighborhood, so there are -- I mean, for  
5 example, there are buffalo ranches, there's lots of  
6 vineyards. So there is the possibility too the odors  
7 could be coming from other sources.

8           If they verified that it's from Cold Creek and  
9 that it's a strong odor, they then come to the facility,  
10 and the idea is to try and track on the facility the same  
11 odor and determine where it's coming from. Once we can  
12 determine that, then we can take whatever action is  
13 appropriate. And we have a set of progressive protocols  
14 that are in place, the idea of which is you implement the  
15 first item -- for example, if something was left uncovered  
16 by mistake, then you would cover it. If for some reason  
17 the odor is not resolved, then you have to then take  
18 whatever the next step is on that protocol.

19           In terms of feedback to the complainant, this is  
20 where we've had some difficulty with the fact that the  
21 complainants don't approach us directly. Because we  
22 obviously have to have permission to go to their property  
23 to determine whether or not there's an odor.

24           But what we would like to encourage is that if  
25 there's a problem and someone contacts us, we will then

1 get back in touch with them, explain what we've done, ask  
2 them to let us know if they still have a problem with the  
3 odor. Potentially it may be the same -- we may need to  
4 check the same time the following day. It depends on the  
5 circumstances, whether we think it's a weather-related  
6 issue, as we talked about last time. And the idea is that  
7 we will keep following through until we believe we've  
8 resolved it. And if we can get that communication going,  
9 then I think that will be key to helping us do that.

10 The moment we have to do that communication  
11 through the LEA -- which is okay too. But obviously it  
12 would be quicker if we could implement it directly with  
13 the local neighbors.

14 BOARD MEMBER PEACE: Okay. Thank you.

15 CHAIRPERSON BROWN: Did you say your name is  
16 Jane?

17 MS. VERES: I did.

18 CHAIRPERSON BROWN: So you're are speaker.

19 Did you have anything else you wanted to add  
20 while you're there.

21 MS. VERES: No. It was simply that last time I  
22 had to give the names afterwards. So I thought you guys  
23 needed our names in case you called us up to speak.

24 CHAIRPERSON BROWN: Okay. Thank you.

25 We do have a couple of other people that have

1 expressed interest in speaking.

2 Pano or Pano Stephens.

3 MR. STEPHENS: Pano Stephens. Thank you, Madam  
4 Chair.

5 CHAIRPERSON BROWN: Pano Stephens. Thank you.

6 MR. STEPHENS: Thank you for your time and  
7 attention and the opportunity to address you.

8 When we first heard about this and when the  
9 public information notice was published in the paper, it  
10 expressly stated that the issuance of a full permit by  
11 your Board would not grant additional entitlements to Cold  
12 Creek Compost. And that's how it was presented at the  
13 public information meeting.

14 However, it does -- what's being proposed today  
15 does expand their operation. They're going from a  
16 permitted 200 tons per day to 400. That's contained in  
17 your proposed permit. They're going from manure and green  
18 wastes and those types of things to what's called chicken  
19 mortalities. Now, dead chickens.

20 At the trial of our case -- and I was the  
21 attorney that represented the neighbors in that  
22 proceeding, as well as the court of appeal -- the LEA  
23 expressly stated that it was manure only, no animal parts.

24 Now, my concern here is is that there's an  
25 incremental expansion and it's not based on anything.

1 I've tried to examine your record. I do not believe the  
2 conditional use permit is part of the record. I've  
3 examined the standard permit. It does not contain  
4 anything about 400 tons per day.

5 I note that there's a 40-trip limit. But at a  
6 40-yard truck volume is an average of 25 tons. That's  
7 only 16 trips are required in order to get to 400 tons.

8 So we are concerned that there's not a basis for  
9 expanding the entitlement at this stage. You'll see the  
10 plan that the applicant has filed. He proposes to expand  
11 it in the future.

12 And you'll see also that the EIR, that is  
13 presumably still in place, that was approved in 1998 by  
14 the Board of Supervisors, never considered 400 tons as an  
15 alternative. It was a 200-ton option. And it  
16 specifically rejected any animal parts and those kinds of  
17 materials. So there's not a basis for permitting it today  
18 at least if it is the goal here that the entitlement shall  
19 remain the same. And I respectfully suggest that those  
20 permits are not in front of you and haven't been made a  
21 part of your record. And you have nothing to compare  
22 these statements about the maximum tons and so forth.

23 I do commend the Board and staff for their  
24 recognition of the hard work that the court and the  
25 court-appointed expert did in order to address the very

1 real odor complaints that were coming from this facility.  
2 And even the applicant's own expert said, "We have never  
3 measured such high readings of odor complaint." You don't  
4 mistake these with animals and buffalos. These things are  
5 unique and they gag you and they make you wretch. There's  
6 no mistaking it. Most of the people here do have animals  
7 of their own that they keep on their own property. Those  
8 are good country smells. This is nauseating smell that  
9 has been dealt with in this court proceeding. And I think  
10 it's very, very good that you are including it as part of  
11 any proposed permit here.

12           However, I do note that the last sentence of the  
13 inclusion of the court injunction purports to change it.  
14 And, again, we're doing some things here that are  
15 incremental that ought to be addressed by the court expert  
16 and the court that issued the injunction in the first  
17 place.

18           With regard to the mechanism for addressing odor  
19 complaints, some of the people that have complained are  
20 widows, single women living alone. They do not want  
21 strangers coming on to their property and challenging them  
22 about whether or not they really smelled something. And  
23 that's what has happened. That has been an historical  
24 thing that has occurred in the past. They've tried to  
25 call numbers and there's no answer. They've tried to call



1 the LEA, and the person is on vacation or you get a phone  
2 message. And so a lot of the times, by the time, two or  
3 three days later that they come out to investigate, the  
4 odor has passed for the time being.

5           There has been some Board comments about this  
6 being a seasonal occurrence. The fact is is you can never  
7 tell when it's going to hit you. It can happen at any  
8 time and has happened in the recent past, in January.  
9 It's an ongoing thing that happens. And you never know  
10 when it's going to happen, and it's in regard to the  
11 management practices.

12           Now, everything in that injunction was designed  
13 to address the odor complaints, because it was believed  
14 that if there was diligence in addressing them, they might  
15 be reduced. But to change the things that were designed  
16 to address odor complaints will really put on the shelf a  
17 great deal of work that the court and jury and expert  
18 appointed by the court has proposed for this operation.

19           So we don't have a basis for the expansion to 400  
20 tons. We don't have a basis for mortalities, dead bodies  
21 of any sort. And I would ask that you refer it back to  
22 Committee to investigate those kinds of things and to take  
23 the existing permits so that they remain as they are  
24 rather than expanding them incrementally.

25           Thank you very much for your attention.

1           CHAIRPERSON BROWN: Thank you, Mr. Stephens. I'm  
2 going to let staff address your two questions relative to  
3 expansion and carcasses. I believe the LEA is the one who  
4 posts the notice. That's not done by this Board.

5           But do you want to address the two questions that  
6 Mr. Stephens had relative to the issues?

7           MR. HOHLWEIN: We'd be happy to. We also would  
8 appreciate if the LEA would also back us up on the --  
9 especially the part about the numerical value of the  
10 permit. As far as the chicken mortalities, that is --  
11 we're working with that as a agricultural material now.  
12 The definition has not been expanded nor refined to say  
13 that mortalities do or do not -- are or are not part of  
14 the agricultural waste stream. So we do not see that here  
15 at the Board as an expansion of entitlement.

16          CHAIRPERSON BROWN: Is the LEA in the audience?

17          MR. HOHLWEIN: If Trey can come up.

18          CHAIRPERSON BROWN: Identify yourself and come  
19 forward. Your permit.

20          MR. STRICKLAND: Good afternoon, Madam Chair  
21 Brown, Board members. I'm Trey Strickland with Mendocino  
22 County.

23               My understanding is the EIR did work with the  
24 number 400 tons per day and that is the entitlement.  
25 However, the current pad size, the average tons per day is

1 200 tons that he's taking in. But my understanding is 400  
2 tons per day is the allowance, but it's not really  
3 feasible on the size of the pad that's currently limited  
4 to six acres. And there's just not enough room on the pad  
5 to process 400 tons per day.

6           So I believe the entitlement is 400 tons per day,  
7 but it's not feasible with the current pad size, and  
8 that's one of the reasons in the future the operator  
9 intends to pursue an expansion of the pad to make it  
10 larger.

11           And in the use permit there were four materials  
12 specifically prohibited. It was fishery waste, restaurant  
13 waste, biosolids, and street sweepings. So the direction  
14 that we've received from Waste Board staff is that chicken  
15 mortalities, while they do require special handling  
16 procedures, that they still are -- it is still considered  
17 within the definition of ag materials.

18           CHAIRPERSON BROWN: So that's not a change in the  
19 permit is what you're saying?

20           MR. STRICKLAND: That's correct.

21           CHAIRPERSON BROWN: Okay.

22           MR. HOHLWEIN: We see that as a clarification,  
23 and that is something that's been needed. And so we are  
24 attempting to with this permit just provide clarification  
25 for materials that were not defined when the permit -- the

1 last permit was issued in 1999.

2           There's a prohibition on mammalian flesh. But  
3 poultry is not considered mammalian flesh, and so dead  
4 chickens are considered an ag waste.

5           CHAIRPERSON BROWN: What about the issue of the  
6 EIR?

7           BOARD MEMBER MULÉ: The pad. Wouldn't they have  
8 to come back to us to expand the pad?

9           MR. HOHLWEIN: Yes, they would. And that's one  
10 of the things we're also trying to do with this permit, is  
11 to nail down the entitlement of the acreage of the area  
12 that he has to compost on. And so we feel we've done  
13 that.

14           We also agree with the LEA that no amount of  
15 materials could come in greater than basically what he's  
16 handling today because he is at his capacity doing --

17           CHAIRPERSON BROWN: Then why are we permitting it  
18 higher? I mean I have to say you're asking for a permit  
19 beyond what the capacity of the facility is, and you're  
20 going to have to come --

21           MR. HOHLWEIN: It's not seen as a change. We see  
22 that the 400 tons was the permitted value in the original  
23 permit. We are not seeking an increase in tonnage. And  
24 there won't be an increase in tonnage because he can't  
25 handle that. So we're neither seeking it, nor is it going

1 to happen. The transference of language from the compost  
2 permit to the current permit is not as direct as we would  
3 like it. The older permits, the standardized composting  
4 permits didn't have conditions and none were allowed. So  
5 in this permit we can and have, and the LEA has of  
6 course -- we worked through with the LEA to work those  
7 conditions out.

8 So no entitlement of tonnage is contemplated.  
9 That would have required CEQA reading, and that didn't  
10 happen.

11 So none of those things are on the plate, if you  
12 will.

13 CHAIRPERSON BROWN: Thank you for that  
14 clarification.

15 Okay. Trey, why don't you hang out around there,  
16 because I'm sure some more issues are going to come up for  
17 you.

18 But I'm going to call our next speaker, who is  
19 Teresa Cannata.

20 MS. CANNATA: I have nothing to add unless there  
21 was a question.

22 CHAIRPERSON BROWN: Okay, Teresa. Thank you very  
23 much for being here. I appreciate that.

24 And does that -- Troy Ward. Same for you?

25 MR. WARD: Same thing, yeah.

1           CHAIRPERSON BROWN:   Wow!   Okay.

2           Thank you.

3           MR. STEPHENS:   Would it be okay then if I were  
4 just to enter something else then for me, please?

5           CHAIRPERSON BROWN:   You may ask another question.  
6 I think that they have yielded time to you, Mr. Stephens.

7           MR. STEPHENS:   Thank you very much.   I don't want  
8 to take too much time.   But I want to read from the  
9 conditional use permit, which the standardized permit  
10 refers to and says that these things shall remain in  
11 effect including the conditional use permit.

12           "Facility operations shall not exceed design  
13 capacity of an average of 200 tons per day incoming  
14 feedstock."   That's the only number in any of the  
15 materials that --

16           CHAIRPERSON BROWN:   Right.   And the LEA addressed  
17 that.   He said the 200 tons per day is all their pad will  
18 allow.   So they cannot exceed the 200 tons in operational  
19 capacity.   Their original permit stipulated 400.   But they  
20 never had -- they don't have the capacity for 400, but  
21 that's what the original permit said.   So there is no  
22 change.   There's a transference of information.

23           MR. STEPHENS:   That's my point.   I don't think  
24 that original permit is a part of your record.

25           CHAIRPERSON BROWN:   It is.

1           MR. STEPHENS: I'm reading from the conditional  
2 use permit.

3           CHAIRPERSON BROWN: Well, It's part of the staff  
4 work product. So the staff uses the original permit as a  
5 basis with the LEA to develop the solid waste facility  
6 permit.

7           Mr. de Bie.

8           BRANCH MANAGER DE BIE: Thank you. Mark de Bie  
9 with the Waste Management Board staff. Just to add a  
10 little bit more to the discussion relative to numbers in  
11 permits and how they're viewed.

12           This permit does have a maximum tonnage value  
13 that would be the maximum amount that could be received on  
14 any given day. The previous permit referenced an average  
15 amount. So 200. You're hearing testimony from the LEA  
16 that in effect they will be operating relative to that  
17 average, that 200 average. But maybe a couple days go by  
18 where they don't receive any material at all and then one  
19 day they get 300, 400 tons per day; it averages out to,  
20 you know, 200 or maybe less.

21           The overarching limitation on this facility is  
22 the area available to handle the material. And the permit  
23 clearly indicates that it's an acreage limit as well as a  
24 total cubic yardage on site. So once he gets to 80,000  
25 cubic yards on site, he can't receive any more material or

1 else he'd be beyond that limit. So he'll have to redirect  
2 material until he gets that down and then can receive it.

3 But this permit would allow on any given day to  
4 get up to 400 tons per day. But that average is still  
5 basically in effect through the land use approval as well  
6 as what CEQA reviews.

7 CHAIRPERSON BROWN: And that's consistent from  
8 the old permit to this new permit.

9 BRANCH MANAGER DE BIE: Yes, right.

10 CHAIRPERSON BROWN: So there is not an expansion  
11 or a change of that. There's just a clarification.

12 BRANCH MANAGER DE BIE: This clarifies that at  
13 any given day he could never take more than 400. That  
14 would be the maximum. And I believe that comes out of the  
15 CEQA as well as the vehicle counts, and a number of  
16 factors went into figuring that value.

17 CHAIRPERSON BROWN: Thank you.

18 Any questions for Mark or anybody?

19 Okay.

20 BOARD MEMBER MULÉ: Madam Chair, first of all I  
21 want to thank staff for all of your work on this. I know  
22 this was a tough one, but you did a great job, Reinhard.  
23 Thank you.

24 And with that, I'd like to move Resolution  
25 2008-25 revised.



1 BOARD MEMBER DANZINGER: Second.

2 CHAIRPERSON BROWN: It's been moved by Member  
3 Mulé and seconded by Member Danzinger.

4 Kristen, can you call the roll.

5 EXECUTIVE ASSISTANT GARNER: Chesbro?

6 BOARD MEMBER CHESBRO: Aye.

7 EXECUTIVE ASSISTANT GARNER: Danzinger?

8 BOARD MEMBER DANZINGER: Aye

9 EXECUTIVE ASSISTANT GARNER: Mulé?

10 BOARD MEMBER MULÉ: Aye.

11 EXECUTIVE ASSISTANT GARNER: Peace?

12 BOARD MEMBER PEACE: Aye.

13 EXECUTIVE ASSISTANT GARNER: Petersen?

14 BOARD MEMBER PETERSEN: Aye.

15 EXECUTIVE ASSISTANT GARNER: Brown?

16 CHAIRPERSON BROWN: Aye.

17 Thank you, staff. Reinhard, thank you. Mark,  
18 Ted. Appreciate that.

19 Now, we will move to -- there was no Strategic  
20 Policy Committee this month. So there is no committee  
21 report.

22 Move next to Market Development and  
23 Sustainability. Even though you weren't here, Gary, you  
24 were kind of here. You participated.

25 BOARD MEMBER PETERSEN: I was here in spirit.

1           CHAIRPERSON BROWN: Do you have a Committee  
2 Chair's report that you wanted to share while we gather  
3 appropriate staff?

4           I did not prepare the report.

5           BOARD MEMBER PETERSEN: Madam Chair, I have a  
6 report --

7           CHAIRPERSON BROWN: Cool. Go.

8           BOARD MEMBER PETERSEN: -- honest, even though I  
9 wasn't here.

10          CHAIRPERSON BROWN: I yield my two minutes as the  
11 stand-in Committee Chair to the Permanent Committee Chair.

12          BOARD MEMBER PETERSEN: No, I wanted to thank you  
13 for helping me out, because I was in deep trouble. I was  
14 stuck in Santa Barbara.

15          CHAIRPERSON BROWN: That's not deep trouble to  
16 me. That's really good news.

17          BOARD MEMBER DANZINGER: There's no such thing as  
18 stuck in Santa Barbara.

19          BOARD MEMBER PETERSEN: Well, I really had to --  
20 surf was running 3 to 5, and I just couldn't leave.

21          (Laughter.)

22          BOARD MEMBER PETERSEN: Okay. Thank you, Madam  
23 Chair.

24          The Committee heard five items last week. Items  
25 9 and 10, awards for targeted RAC incentive grants and for

1 the tire-derived product grants, are proposed for fiscal  
2 consent today, which we dealt with.

3 Items 12 and 13 were heard by Committee only.

4 The Committee directed staff to work with the Lawrence  
5 Livermore National Laboratory, our contractor for the used  
6 oil study, to work closely with a group of stakeholders to  
7 be certain that we've accurately captured their  
8 perspective on used oil infrastructure prior to finalizing  
9 the lab's report to the Board.

10 And Item 8 was held over today and we heard from  
11 the U.S. Navy.

12 And that concludes my report.

13 CHAIRPERSON BROWN: Thank you, Committee Chair  
14 Petersen.

15 BOARD MEMBER PETERSEN: Thank you, Madam Chair.

16 CHAIRPERSON BROWN: We have one item for full  
17 Board consideration from the Marketing and Sustainability  
18 Committee and that is Item 11.

19 And, Howard, go ahead and present.

20 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: Thank  
21 you, Madam Chair. Howard Levenson.

22 This item concerns a proposed scope of work to  
23 conduct waste characterization studies of commercial  
24 recycling in selected business sectors.

25 Our original intent in bringing this to you was

1 to piggyback on the availability of some of the dedicated  
2 waste characterization study funding so that we contain  
3 additional information for analyses that we have to do on  
4 commercial recycling. This was intended to support our  
5 obligations to the ARB scoping plan process, the various  
6 action measures that we're obligated to work on, and the  
7 Associated Climate Action Team Recycling and Waste  
8 Management subgroup.

9           As you know, we had input last week at the  
10 Committee meeting from some stakeholders who were  
11 concerned that the scope of work was not exactly on  
12 target, and Committee members expressed similar and more  
13 detailed concerns about the scope of work. So we had a  
14 very lively discussion at the Committee meeting. And that  
15 stimulated us as staff to think a lot more about this  
16 particular project and what we need to accomplish relative  
17 to commercial recycling.

18           What we'd like to suggest is that you defer any  
19 action on this scope of work today and instead direct us  
20 to rework it -- and I'll describe what we're thinking --  
21 but rework it and return in about two months with a new  
22 scope of work for your consideration.

23           I'd like to emphasize that this two-month  
24 retooling wouldn't derail or delay any of our other  
25 activities that we're conducting relative to climate

1 action team and the ARB scoping plan. Those will proceed  
2 on the same frantic schedule that they're already on on a  
3 parallel track, with Brenda and Clark and Cara, Scott  
4 Walker and all those folks.

5 In looking back at the scope of work, what we  
6 recognize is that our major obstacle in working on the ARB  
7 scoping plan is really information on cost and benefits.  
8 So what we'd like to do is refocus the scope of work to  
9 obtain information on the costs of implementing commercial  
10 recycling programs, in other words conduct some sort of  
11 cost benefit analysis.

12 Instead of focusing on business sectors like we  
13 had originally suggested, we'd focus on the top  
14 commodities or materials in the disposal stream, you know,  
15 what tons could be diverted and what greenhouse gas  
16 emissions could be achieved if part or all of those  
17 tonnages for those commodities were actually recycled.

18 We'd also probably focus on a specified  
19 performance level, for example, a 50 percent recycling or  
20 some number like that or set of numbers, to obtain cost  
21 information. Because if we look at, say, 100 percent  
22 recycling, that's unrealistic. There are materials that  
23 are contaminated that simply can't be recycled. There are  
24 sizes of businesses or sizes of multifamily dwellings  
25 below which it's simply not economical to achieve some

1 cost-effective recycling. So we would define that in the  
2 scope of work too, some sort of desired performance levels  
3 for recycling.

4           This would allow us in our view to better define  
5 and analyze a commercial recycling program for purposes of  
6 the ARB scoping plan. We will have a placeholder for  
7 that. That's due in mid-March. But we will have plenty  
8 of opportunities to keep on refining that as information  
9 comes from this proposed revision and other related  
10 activities.

11           And we also could include source reduction as a  
12 component of that analysis as well.

13           So to revise that scope of work, we're going to  
14 need to sit down with the ARB Economics Research Group and  
15 some of the stakeholders to develop a list of what we  
16 think are reasonable questions to ask and which ones would  
17 be most helpful. Our thinking right now is that once we  
18 have that set of questions, which we'd bring back to you  
19 in the form of a scope of work, to obtain the relevant  
20 information, we'd need to contract with a third party who  
21 has street smarts, if you will, the ability to go out and  
22 talk to haulers, program operators and the like, and  
23 really get that kind of information and then mask it in  
24 some confidential way. We don't feel that we need  
25 facility-specific or program-specific cost information.

1 But we need to be able to know that implementing a  
2 recycling program costs this rough range of additional  
3 funding or additional investment.

4 So that what we -- that's our thinking right now  
5 based on the discussion that we had last week. We're  
6 certainly open to any suggestions on how to proceed, but  
7 basically would ask your direction that we return in about  
8 two months with a revised scope of work that's more  
9 oriented in that direction.

10 CHAIRPERSON BROWN: Makes a lot more sense to me.

11 PROGRAM DIRECTOR LEVENSON: Be happy to answer  
12 any questions.

13 CHAIRPERSON BROWN: Any questions from Board  
14 members.

15 BOARD MEMBER PETERSEN: Madam Chair, I'd just  
16 like to support Howard and Brenda and staff on the  
17 rethinking and retooling of this. I think it's a great  
18 idea and it's a great approach to get where we want to go.

19 Thank you, Howard.

20 CHAIRPERSON BROWN: Well, I think it gets us a  
21 piece of the puzzle we don't have.

22 BOARD MEMBER DANZINGER: Absolutely.

23 CHAIRPERSON BROWN: And I think that that was  
24 obvious from the Committee discussion, that we have a lot  
25 of the pieces but we are missing some that we know are

1 integral to the development of the scoping plan from our  
2 perspective for ARB. So you guys have done an excellent  
3 job in identifying where those gaps are.

4 BOARD MEMBER DANZINGER: Your description right  
5 there, Howard, nailed it. It's perfect. I mean it's not  
6 only -- hits the objective. I'm excited about this  
7 program now. This is really good. This gets us closer to  
8 that point in time. We have a story to tell about the  
9 connection between what can be going on out there and  
10 greenhouse gas emissions. This puts us on a faster track  
11 and it gets us to that point. So masterful, great.

12 BOARD MEMBER MULÉ: I agree, Madam Chair. So I  
13 just wanted to say, I think with what you're going to in  
14 terms of scope of work is actually going to get us some  
15 information quicker. We're going to get further along  
16 down the field quicker with this approach.

17 So thank you all for your work and your time.  
18 Really appreciate it.

19 CHAIRPERSON BROWN: Okay. Given that, we have  
20 one speaker.

21 Evan, do you want it now that there's no item?  
22 There's no discussion. You always have something to add.

23 BOARD MEMBER PETERSEN: Evan's got nothing to  
24 say?

25 CHAIRPERSON BROWN: Evan's always got something



1 to add.

2 MR. EDGAR: Evan Edgar, California Refuse Removal  
3 Council. We're thankful for the input and grateful for  
4 staff's new scope in order to link the greenhouse gases.

5 We're out in the field struggling to get  
6 assessment tools, and we liked what the DOC did with cans  
7 and bottles. And we support what the waste boards do on  
8 LCA for organics and that assessment tool. And to have  
9 some assessment tools for business recycling would be a  
10 great benefit throughout the next set of programs. So we  
11 support the staff's work on it. And thank you.

12 CHAIRPERSON BROWN: Thank you, Evan.

13 Okay. So you're done.

14 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: Thank  
15 you, Madam Chair. And of course there were a lot of folks  
16 involved in those discussion over the last few days, and I  
17 want to thank all of them for the input. We still have a  
18 ways to go on this. So we'll be back in two months and --  
19 I agree, I think this will advance our work considerably.  
20 It's not going to answer every question. We have a lot of  
21 concurrent activities related to protocols and scoping  
22 plans and so on. So we'll keep trying to keep you up to  
23 date on all those activities. And we'll institute some  
24 more periodic reporting as well.

25 CHAIRPERSON BROWN: Okay. Next on the agenda we

1 have 14, 15, 17, and then 18. But I'd like to take a  
2 two-minute break before then -- just a two-minute break  
3 though -- so that we can regroup and then we'll plow  
4 through the last part of these.

5 (Thereupon a recess was taken.)

6 CHAIRPERSON BROWN: I think in the interest of  
7 time, we have -- Eric Douglas is in the audience to work  
8 through a couple of these items with us. And in the  
9 interest of time, I'm going to rush us back because he has  
10 to leave.

11 So what I'd like to do, Mark -- all members are  
12 present. Kristen, you don't need to call the roll.

13 Why don't we start with Item 17, then go to 14,  
14 then 15, given Eric's time. He can stay if he needs to.  
15 And then we'll go to 16.

16 So let's start with 17, which is the discussion  
17 of Board Governance Policies BL-1 to 4 and 11, since  
18 you're presenting that one, Eric. And then we'll proceed  
19 from there.

20 MR. DOUGLAS: Eric Douglas, a consultant to the  
21 Board, who's helped you with the governance policies. And  
22 today we're reviewing Governance Policies BL-1 through 4  
23 and also BL-11.

24 So I thought what we could do is go through the  
25 report. And then also on the screen I'll broadcast the

1 current language in the policy so you can track along with  
2 the findings from your policy monitoring.

3           So looking at BL-1, as the report describes.

4 First of all, all six of you say that the Board is in  
5 compliance with BL-1, which is the policy that describes  
6 the relationship between the Board of Directors and the  
7 Executive Director. And no Board members wish to change  
8 the language of this policy.

9           There were a couple of comments with regard to  
10 this policy. I just want to make sure I call your  
11 attention to them. One was a glowingly positive comment  
12 saying the communication with Board members is very good  
13 and that he hopes it will continue. I'm divulging a  
14 little bit which member it was.

15           There is a point made about an incident with  
16 regard to staff modifying Board regulations counter to the  
17 direction of the Board. And so I think there's a kind of  
18 a sense of continued vigilance in terms of wanting to make  
19 sure that that consistency of direction is carried  
20 through.

21           And then the executive staff made the point that  
22 sections L through O of this policy, which have to do with  
23 the idea of creating that internal capacity for program  
24 auditing and program evaluation, that capacity is still in  
25 the process of being developed.

1           So that concludes the kind of discussion about  
2 BL-1. Are there any questions or things that people want  
3 to make about BL-1?

4           Okay, BL-2. Again this is a policy. This is the  
5 Board of Directors/General Counsel relationship. And this  
6 policy, again all six members say the Board is in  
7 compliance, and no members wish to change the language of  
8 this policy. One member again says that the communication  
9 with the General Counsel is sound and productive. And  
10 another I believe it is executive staff points out that  
11 the General Counsel has not received a performance  
12 appraisal as called for in the policy.

13           CHAIRPERSON BROWN: I guess that's us, Mark.  
14 Between you and me, I think we are responsible for that  
15 one.

16           EXECUTIVE DIRECTOR LEARY: I don't know why the  
17 Chief Counsel would want --

18           CHAIRPERSON BROWN: It's interesting that Elliot  
19 would ask for his own review though.

20           EXECUTIVE DIRECTOR LEARY: Yeah, exactly, knowing  
21 how negative it would be.

22           CHAIRPERSON BROWN: We can pursue that part of  
23 our obligation.

24           MR. DOUGLAS: So any other questions or comments  
25 that Board members would like to make with regard to BL-2?

1           Okay. So moving on to BL-3, if the language for  
2 BL-3 could be put on the screen. BL-3 has to do with the  
3 relationship between the Board of Directors and the  
4 advisors.

5           Five of six of the Board members say that the  
6 Board is in compliance with this policy, and one suggested  
7 a change in the policy. One of the suggestions was  
8 changing sections B and C to really clarify that  
9 communication from the advisors would go through the  
10 Executive Director. Currently the policy is a little  
11 ambiguous with regard to the flow of communication. One  
12 member would like to see regular meetings of the advisors.

13           And then there's some executive staff feedback  
14 that pertains to the conformance of advisors to this  
15 policy with regard to requests for information and so  
16 forth. And here the suggestion is that perhaps that the  
17 ED and the PDs could be kind of the primary points of  
18 contact for the advisors.

19           I also would point out the executive staff also  
20 suggest there are some instances in which advisors seem to  
21 be seeking to provide input on papers as they're in  
22 working draft state, and are questioning whether that's  
23 the appropriate role for advisors.

24           I did receive also -- I guess actually Mark Leary  
25 received from one director, Director Peace, a suggested

1 amendment to this policy. So I can read that into the  
2 record and you can discuss that, if you would like me to  
3 do that now. Or if you'd like to have questions at this  
4 point, it's my pleasure to know how you'd like me to  
5 proceed.

6 CHAIRPERSON BROWN: Why don't you read it into  
7 the record. We can discuss it. And maybe as part of the  
8 discussion we can talk about some of the feedback that was  
9 part of BL-3. Because I think it all works together,  
10 Cheryl's suggestion and whatnot.

11 So go ahead.

12 MR. DOUGLAS: So with regard to Member Peace's  
13 suggestion, she's suggesting that paragraph B be struck  
14 and that paragraph A be replaced with this language, which  
15 I will read: "Advisors shall work at the direction of  
16 their respective member of the Board, performing such  
17 functions as are necessary to assure the ability of the  
18 member to exercise independent and informed judgment on  
19 matters of public policy." So she would suggest replacing  
20 A with that language and then striking B and then leaving  
21 the rest of the policy as it is.

22 It's worth noting I think before you get into the  
23 discussion what this policy says in its entirety, and  
24 particularly kind of flagging paragraph E. Paragraph E  
25 says, "Notwithstanding these activities, the advisors are

1 not empowered to instruct or direct CIWMB management or  
2 staff." So it's very clear in the policy what's being  
3 talked about here in terms of directing or providing  
4 direction to staff. We're really talking around the  
5 nuances of requesting information and so forth.

6 CHAIRPERSON BROWN: Right. I don't have a  
7 problem with the clarification and the direction which  
8 Member Peace has asked for. I don't know that it and the  
9 complete striking of B really addresses some of what the  
10 feedback is in this particular BL. I mean, I think it's  
11 understood but if we put it into writing that the advisors  
12 work at the direction of their member. I think what is  
13 omitted though is what this BL is designed to do and, that  
14 is, to ensure that we hold the Executive Director  
15 accountable for work product and work flow with the staff.  
16 And I think that part of what the stricken B was designed  
17 to do was ensure that Mark was a part of the discussion.  
18 And whether it's expanded to the Executive Director and  
19 the program directors, that's up to Mark to share that  
20 information, because I don't think that's a bad thing.  
21 But I think that we need to ensure that we're holding the  
22 executives accountable for the information and not going  
23 directly to a program staff person to request information.  
24 Because it will be perceived as a duty that they need to  
25 perform from an advisor.

1           And I think we've made it Mark's responsibility  
2 to schedule staff and time and respond to our strategic  
3 directives. So, you know, he needs to be able to complete  
4 and respond to our requests. I mean, I think he'd be  
5 silly to say, "No, I'm not going to do that." But I think  
6 he just needs to know and to know where to direct it and  
7 advise an advisor or a member --

8           BOARD MEMBER CHESBRO: So are you suggesting  
9 though that every request for information from staff has  
10 to go through Mark personally? Because I --

11          EXECUTIVE DIRECTOR LEARY: I might suggest that  
12 at least myself --

13          CHAIRPERSON BROWN: A copy of an e-mail.

14          EXECUTIVE DIRECTOR LEARY: -- or the program  
15 directors be cc'd so that we're aware.

16          CHAIRPERSON BROWN: I think if I had an advisor  
17 and I wanted some information on RMDZs, I would send an  
18 e-mail to Howard and copy Mark and say, "I'd like some  
19 expanded information on RMDZs because I'm going to be  
20 making a speech next week down in Santa Barbara."

21          BOARD MEMBER CHESBRO: So if that's the case, I  
22 think that B as it's written is kind of a little bit  
23 ambiguous in terms of, communicate those requests to the  
24 Executive Director is sort of language that could be read  
25 either way, that you're asking him to do it for you to set



1 up the -- get the information for you or you're just  
2 keeping him informed. If all we're doing is keeping him  
3 informed, then I think it ought to say that --

4 CHAIRPERSON BROWN: Well, exactly. That's why I  
5 said --

6 BOARD MEMBER CHESBRO: -- a little more clearly.  
7 Because it's a little fuzzy the way it's written, I think.

8 CHAIRPERSON BROWN: I'm fine with A going in  
9 there, B being stricken. But I don't think A addresses  
10 all of what's in B. There should be some part of the new  
11 B that's reworded, coordinate with Executive -- or notify  
12 the Executive Director or program director of any  
13 requests.

14 BOARD MEMBER CHESBRO: Yeah, I think that --

15 CHAIRPERSON BROWN: Because then if Mark says --

16 BOARD MEMBER CHESBRO: -- then say that to A and  
17 I think we've taken care of the problem, keeping them  
18 informed that we're communicating with staff --

19 CHAIRPERSON BROWN: Or can we add that to B --  
20 rewrite B to add that. I mean, because the new B on  
21 Cheryl's thing addresses requests for information. All we  
22 need to do is copy Mark and Howard or Ted. That way if  
23 there were a concern because Howard's got, you know, his  
24 entire RMDZ program staff crunching on an agenda item  
25 that's due in two days, he can at least inform us that he

1 couldn't respond to a request and he knows that they're  
2 being asked to do that.

3 BOARD MEMBER DANZINGER: So you're saying you  
4 could keep like the first part of B roughly the same,  
5 advisor shall communicate requests for information from  
6 the Board member to -- between the staff with notification  
7 to the Executive Director of such requests?

8 CHAIRPERSON BROWN: I'm not looking at what's on  
9 the screen. I'm looking at what Cheryl gave us.

10 BOARD MEMBER DANZINGER: Well, I thought you were  
11 just saying maybe we could just keep B and rewrite B. So  
12 that's what I -- I was just looking at B about --

13 CHAIRPERSON BROWN: The B on Cheryl's suggested.

14 BOARD MEMBER DANZINGER: Oh, I didn't look at  
15 that.

16 MR. DOUGLAS: Well, the B on Cheryl's suggestion  
17 though is the existing -- that she instructed is the  
18 existing B. So all that I think that --

19 CHAIRPERSON BROWN: C. It's the existing C.

20 BOARD MEMBER PETERSEN: Couldn't we just ask --

21 BOARD MEMBER DANZINGER: Well, just take C and  
22 replace the last part of B with it -- the existing B.

23 BOARD MEMBER PETERSEN: Well, couldn't we just  
24 ask the existing B and that -- keeping the Executive  
25 Director informed on B?

1           MR. DOUGLAS: That would seem like it would  
2 satisfy the Board members' need to have clarity about this  
3 policy, to modify the existing B with the language that  
4 Member Petersen just suggested.

5           CHAIRPERSON BROWN: I'm sorry, I didn't hear  
6 that.

7           What Member Danzinger was suggesting is B read --  
8 and I think what Member Chesbro was suggesting --  
9 "Communicate requests for information from members" -- are  
10 we designating advisors separate from that? -- "of the  
11 Board to CIWMB management and staff, coordinate management  
12 and staff by responding" --

13          BOARD MEMBER DANZINGER: I think you have to  
14 reword it. You just take the thought that's in C and  
15 reword it. So it would just be "communicate requests" --  
16 "The advisor shall communicate requests for information  
17 from Board members to CIWMB management and staff with  
18 notification to the Executive Director of such requests."

19          Is that what you're looking for? Isn't that the  
20 simplest --

21          BOARD MEMBER MULÉ: That sounds reasonable to me.

22          BOARD MEMBER DANZINGER: Isn't that the simplest  
23 way?

24          MR. DOUGLAS: I think that's reasonable.

25          The one question I would throw back at you is

1 whether you want to be as encompassing as to say  
2 management and staff.

3 BOARD MEMBER DANZINGER: Well, no -- yeah, I'd  
4 rather just have staff.

5 CHAIRPERSON BROWN: Yeah, I think it needs to be  
6 executive staff.

7 BOARD MEMBER DANZINGER: Oh, okay. The  
8 request --

9 CHAIRPERSON BROWN: I think if we make a request,  
10 it's most likely going to be to executive staff. I don't  
11 know --

12 BOARD MEMBER MULÉ: Not always. And I think that  
13 was part of the --

14 BOARD MEMBER DANZINGER: I mean, so that's the  
15 thing too, it gets cumbersome if you know who it is -- if  
16 you know who it is that you're dealing with, why can't you  
17 just send the e-mail there and then you copy the  
18 appropriate -- so it might go do somebody in Howard's  
19 realm and you copy Howard and Mark, you know.

20 CHAIRPERSON BROWN: Okay. So why don't we --

21 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: We  
22 have found is sometimes there will be a message sent to  
23 staff or a supervisor. And I don't have a real problem  
24 with that. But I may know of some information that's  
25 already available or there may be a scheduling issue. And

1 so we have the bigger picture that we can say, "Okay, go  
2 ahead," or, you know, we have a concern. And that way we  
3 can communicate it to you. So it's really a matter of, as  
4 you say, notification of us.

5 BOARD MEMBER MULÉ: I completely agree.

6 BOARD MEMBER PEACE: I think a lot of us call and  
7 ask questions of staff that don't really rise to the level  
8 of a manager or the Executive Director; just a question of  
9 where we can find the information or "can you tell us  
10 really quick so we can put that in perspective on this  
11 item." I don't think this is talking about any  
12 in-depth --

13 CHAIRPERSON BROWN: I don't think it's talking  
14 about that.

15 BOARD MEMBER PEACE: -- any in-depth information.

16 CHAIRPERSON BROWN: Well, but what you're asking  
17 for is not included in this. If you call a staff member  
18 and ask a question, that's different than asking them to  
19 provide you with information or a work product. This is  
20 really addressed -- I mean this BL was specifically  
21 addressing work product. If you were going to call and  
22 ask them to do a report for you or generate a work  
23 product, that needs to go through a --

24 BOARD MEMBER PEACE: Right. And I think that's  
25 already addressed somewhere else, isn't it, where we say

1 we're not going to give staff any more --

2 BOARD MEMBER DANZINGER: But that's direction,  
3 right?

4 BOARD MEMBER PEACE: -- any more work to do  
5 without going through the manager or --

6 PROGRAM DIRECTOR LEVENSON: It's important for  
7 the Board to understand your power. Even when a Board  
8 member's office just calls a staff person and asks a  
9 simple question, staff tends to --

10 CHAIRPERSON BROWN: -- drop everything?

11 PROGRAM DIRECTOR LEVENSON: -- really start  
12 jumping. And they may be warranted, of course. But, you  
13 know, we may be able to say, okay, there's a reasonable  
14 response that can be provided very quickly and we can do  
15 more detail later. But that's something that I think  
16 management -- exec staff and management can help staff  
17 with in terms of how to respond.

18 So don't forget your power that you have. And  
19 when you do call, staff will tend to do whatever they can  
20 to provide a response.

21 BOARD MEMBER PETERSEN: Howard, does that go for  
22 when I call you too?

23 SUSTAINABILITY PROGRAM DIRECTOR LEVENSON: No.  
24 (Laughter.)

25 CHAIRPERSON BROWN: Okay. How about "Communicate

1 requests for information from Board offices to CIWMB  
2 management or staff with appropriate notification to  
3 Executive Director and/or program director"?

4 BOARD MEMBER PEACE: As appropriate.

5 CHAIRPERSON BROWN: And that would be a new B.  
6 Should I read it again?

7 "Communicate requests for information from Board  
8 offices to CIWMB management or staff with appropriate  
9 notification to the Executive Director and/or program  
10 director."

11 Is that all right? Everybody --

12 BOARD MEMBER MULÉ: That works for me. Thank  
13 you, Madam Chair.

14 BOARD MEMBER DANZINGER: Sounds fine.

15 CHAIRPERSON BROWN: Okay. Without objection,  
16 we'll propose that, and include A -- Cheryl's change of A  
17 to that. And thank you very much for bringing that  
18 forward for clarification.

19 BOARD MEMBER DANZINGER: And then C in the  
20 original is struck, right? C goes away?

21 CHAIRPERSON BROWN: C in the original item that's  
22 on the screen is gone and they're renumbered C, D, E.

23 Okay. BL-4.

24 MR. DOUGLAS: I just want to clarify what Member  
25 Danzinger just said. Because I'm looking at C on the

1 screen behind you.

2 CHAIRPERSON BROWN: It's now encompassed somewhat  
3 in what I read for B.

4 MR. DOUGLAS: So you're saying that the  
5 "Coordinate with CIWMB management and staff in responding  
6 to Board of Directors" -- that is now encompassed into the  
7 new B? So the C --

8 CHAIRPERSON BROWN: Yes, that's part of what I  
9 read.

10 MR. DOUGLAS: Right.

11 CHAIRPERSON BROWN: I just struck the first part  
12 of it and put notification --

13 MR. DOUGLAS: All right. Let's move on then to  
14 BL-4.

15 BL-4 is the Unity of Control policy. Again, five  
16 of six of the Board members say the Board is in compliance  
17 with this policy, and two members would like to change  
18 this policy.

19 So some of the comments here, section F infers  
20 that information can be requested of staff without going  
21 through the Executive Director. And, again, this is back  
22 to the same issue we were just talking about as to whether  
23 we want to ensure some consistency between BL-4 and the  
24 language we just devised.

25 CHAIRPERSON BROWN: Can we add "with appropriate



1 notification"? Can we just add the same part that we put  
2 in the other, notification?

3 BOARD MEMBER MULÉ: Add the same language.

4 CHAIRPERSON BROWN: Can we do that?

5 All right. "With appropriate notification."

6 MR. DOUGLAS: So then that would deal with the  
7 first comment.

8 The second comment has to do with section C,  
9 which has to do with the Committee Chair's authority. And  
10 there's a suggested revision to section C, which is in  
11 your notes. "In cases where a Committee of the Board has  
12 provided direction on an issue through consensus or other  
13 means, the Committee Chair is empowered." And I think  
14 that's a sensible suggestion that actually reflects the  
15 intent of the policy.

16 CHAIRPERSON BROWN: I think that's what was  
17 discussed when we developed it.

18 MR. DOUGLAS: Yeah. I think somehow the language  
19 just got twisted a little bit here. But really this is a  
20 pretty sensible suggestion.

21 CHAIRPERSON BROWN: Okay. I agree with that.

22 MR. DOUGLAS: And then the last point again has  
23 to do with -- circles back to the discussion we just had.  
24 You know, while all authority does flow through the  
25 Executive Director, is there any need to discuss the role

1 of program directors in the BL-4 Unity of Control policy?

2 CHAIRPERSON BROWN: We don't really have a direct  
3 relationship with the program directors. They work for  
4 Mark. So I don't know that -- bringing them up or trying  
5 to define them, we'd have to actually develop a  
6 relationship somewhere in the Board linkage.

7 BOARD MEMBER MULÉ: Right.

8 CHAIRPERSON BROWN: Can we refer to them? I mean  
9 we've referred to them in the last BL. So --

10 BOARD MEMBER MULÉ: Right.

11 MR. DOUGLAS: I'm not sure what the source of  
12 this feedback is. I don't know if executive staff wants  
13 to speak to this piece of feedback.

14 EXECUTIVE DIRECTOR LEARY: Ted and Howard, do you  
15 have this language in front of you?

16 I'm not sure I can explain the origin of that  
17 language right at this moment.

18 MR. DOUGLAS: I mean, in my view looking at this  
19 in the context of overall governance policy, this would  
20 not be an appropriate expansion of the policy. You would  
21 not want to be trying to then direct your authority to  
22 flow through anyone else other than the Executive  
23 Director.

24 BOARD MEMBER MULÉ: Exactly. I agree.

25 EXECUTIVE DIRECTOR LEARY: We'd like to retract

1 that comment.

2 CHAIRPERSON BROWN: Okay, good.

3 So we'll -- did you say strike that?

4 EXECUTIVE DIRECTOR LEARY: We'd like to retract  
5 the comment.

6 CHAIRPERSON BROWN: Oh, retract your comment.

7 Comment retracted.

8 We can say we like the program directors. We  
9 think they're doing a good job.

10 EXECUTIVE DIRECTOR LEARY: That's going way to  
11 far, but --

12 (Laughter.)

13 BOARD MEMBER MULÉ: We like them very much.

14 CHAIRPERSON BROWN: And Gary can call them  
15 directly if he wants.

16 MR. DOUGLAS: All right. Well, If I am reading  
17 the tea leaves correctly, that moves us to BL-11.

18 CHAIRPERSON BROWN: Yes.

19 MR. DOUGLAS: BL-11 is the policy that has to do  
20 with the appraisal of the Executive Director. Again, six  
21 of six say the Board is in compliance with this policy.  
22 None want to change this policy.

23 A couple of comments were made that -- again, the  
24 baseline appraisal was done in the fall. And we don't  
25 have a full year under our belts yet. So when we do,

1 we'll do this, is my sense of the feedback.

2 CHAIRPERSON BROWN: Thank you.

3 MR. DOUGLAS: And that concludes my presentation.

4 CHAIRPERSON BROWN: And the next steps on this  
5 are to direct Elliot to make the appropriate changes in  
6 the BLs that we made and bring them before the Strategic  
7 Policy Committee next month for concurrence?

8 EXECUTIVE DIRECTOR LEARY: Yes, Madam Chair.  
9 Just as a matter of record, the Executive office has  
10 assumed editorial responsibility for the strategic  
11 directives in the governance policies, so we'll relieve  
12 Elliot. Not that he wasn't doing a great job. But he's  
13 got other fish to fry, of course. And we can do that  
14 within the Executive office.

15 CHAIRPERSON BROWN: I may know who that is.

16 Okay. Thank you.

17 So we'll look forward to a revised agenda item  
18 for that next month simply.

19 And then the next one we have is Agenda Item 14,  
20 which is consideration of revisions to the Board  
21 governance policies, our strategic directives.

22 Mark, you're going to do the initial presentation  
23 on that?

24 EXECUTIVE DIRECTOR LEARY: Yes, Madam Chair and  
25 members. This is a relatively straightforward suggestion

1 of changes to the current strategic directives in a manner  
2 that does not constitute substantial changes, except to  
3 say that there are cases where we think we've completed  
4 our work in regards to strategic directives and the  
5 directives should reflect that completion, as well as some  
6 suggestions for minor revisions of text or revised  
7 timelines.

8           As can you see in your Agenda Item 14, we've got  
9 four categories of modifications to the strategic  
10 directives. The first categories of those directives that  
11 we feel are completed and they are captured with Strategic  
12 Directive 3.6 and 6.2. We suggest that we have in fact  
13 sought statutory authority for a timely and accurate  
14 measurement system, so we can consider that completed, as  
15 well as the report on the map pilot study by June 30th  
16 2007, that being 6.2.

17           Further, Strategic Directives 4.4, 5.3, and 8.9  
18 we'd like to suggest that the record could reflect by  
19 modification to these strategic directives, that they have  
20 in some sense been completed, and we've offered  
21 alternative language that kind of continues the effort.

22           For example, in 4.4, the study and report to the  
23 Board by January 1 about the financial requirements has in  
24 fact been completed, but we know that this isn't dropping  
25 off the Board's priority list. And, in fact, we could

1 alter the language to maintain the effort in regards to  
2 Strategic Directive 4.4 by suggesting the language  
3 proposed in the item, that is, assess what additional  
4 financial requirements should be put in place to assure  
5 adequate long-term post-closure maintenance and develop  
6 legislative recommendations and promulgate needed  
7 regulations by July 1. So that activity will continue and  
8 then the strategic directives modified to reflect that,  
9 while as the first part has in fact been completed, the  
10 study and report.

11 I don't know that you want me to explain all  
12 these. I asked for your feedback. If this is an  
13 appropriate way to capture these changes editorially so  
14 that the history is still here, yet the modifications are  
15 clearly reflected here. And these will then be built into  
16 the Board's website and reflected in our public outreach  
17 kind of efforts.

18 CHAIRPERSON BROWN: This is good. Thank you,  
19 Mark.

20 Do any Board members have any questions specific  
21 to any of these?

22 Member Danzinger.

23 BOARD MEMBER DANZINGER: Just a quick question.

24 So on SD-3, number 6, one of the two that are  
25 identified as completed, so I guess our intent on that one

1 was "seek" as distinct from "acquire"?

2 EXECUTIVE DIRECTOR LEARY: Exactly.

3 BOARD MEMBER DANZINGER: So just having a  
4 proposal submitted, that was the intent, was meeting that.  
5 Okay.

6 EXECUTIVE DIRECTOR LEARY: Just a special note  
7 that there was -- in regards to 3.7 under "revised text,"  
8 the addition of waste prevention was an important addition  
9 that reflected I think all of your collective sentiments.  
10 And you can see we've modified the SD appropriately.

11 CHAIRPERSON BROWN: Okay. Any other questions?  
12 Then I believe we need a motion.

13 BOARD MEMBER MULÉ: Madam Chair, I'd like to move  
14 Resolution 2008-33.

15 BOARD MEMBER DANZINGER: Second.

16 CHAIRPERSON BROWN: It's been moved by Member  
17 Mulé, seconded by Member Danzinger.

18 Kristen, can you call the roll.

19 EXECUTIVE ASSISTANT GARNER: Chesbro?

20 BOARD MEMBER CHESBRO: Aye.

21 EXECUTIVE ASSISTANT GARNER: Danzinger?

22 BOARD MEMBER DANZINGER: Aye.

23 EXECUTIVE ASSISTANT GARNER: Mulé?

24 BOARD MEMBER MULÉ: Aye.

25 EXECUTIVE ASSISTANT GARNER: Peace?

1 BOARD MEMBER PEACE: Aye.

2 EXECUTIVE ASSISTANT GARNER: Petersen?

3 BOARD MEMBER PETERSEN: Aye.

4 EXECUTIVE ASSISTANT GARNER: Brown?

5 CHAIRPERSON BROWN: Aye.

6 Resolution 2008-33 passes.

7 Thank you, Mark.

8 Next up, Mark again. Consideration of allocation  
9 proposals to be funded from the IWMA account for fiscal  
10 '07-'08 and prospectively possibly '08-'09.

11 EXECUTIVE DIRECTOR LEARY: Madam chair, members,  
12 we are coming back to you once again with our suggestions  
13 for priority allocation items for utilization of IWMA  
14 monies for key efforts. We've been before you a couple of  
15 times during this fiscal year and made various allocations  
16 having to do with organics and other related strategic  
17 directives.

18 We need again further help in terms of acquiring  
19 contractor resources and furthering our efforts to  
20 implement the strategic directives. That help is sought  
21 through the utilization of \$80,000 in regards to strategic  
22 directives 12.2 and 12.4. 12.2, as you will recall,  
23 identifies the need for a foundational curriculum around  
24 the principles of integrated waste management for our  
25 staff and for our members.



1           Although I have complete faith in my staff that  
2 we could probably develop this on our own, given the  
3 shortage of staff and the priority of this active, I think  
4 it's best to utilize a little bit of our IWMA monies and  
5 secure a contractor who could pull this together I think  
6 faster than we could on our own. And we could also  
7 through a contractor seek external input and all in a  
8 fairly expeditious fashion.

9           The second component of that is follow up on the  
10 priority of this idea of a certification of recycling  
11 professionals. Another \$40,000 to follow up on the  
12 promise I made to you that we need to really research  
13 this. This is somewhat of a foreign subject to us. We  
14 understand the concept of a certification program and then  
15 the potential credibility it brings to those practicing in  
16 the field. But the establishment of a certificate program  
17 needs to be thought through. And we'd like to offer you a  
18 well developed, thought-out analysis of what that might  
19 consist of, both from a substance component, that is, what  
20 the certificate program consists of, as well as an  
21 administration component, like: How is it managed, who  
22 manages it, who requires a certification, who applies the  
23 credibility to the certification, does it involve a fee,  
24 is it something we do in-house? I mean, there's a lot of  
25 interrelated questions in regards to that.

1           Again, I think if we had plenty of staff with  
2 nothing to do, we could probably do a great job of that.  
3 But that unfortunately is not our circumstances right at  
4 the moment, and so we need some external resources to help  
5 us with that. And so we're suggesting for the fairly  
6 modest sum of \$80,000 we could accelerate these two  
7 efforts in regards to the strategic directives and have  
8 some responses and some analysis back to you relatively  
9 quickly. In fact, I'd like to preliminarily commit to you  
10 because of the priority of the principles of the  
11 Integrated Waste Management curriculum that we will get  
12 back to you in the next three to four months with a good  
13 sound development. We need it for ourselves given the  
14 turnover we're experiencing in the organization. And so  
15 the faster we get to that, the better it serves all of us  
16 in moving forward.

17           So we will make that a priority for our  
18 contractor once he or she or they are selected and get  
19 back to you as quickly as we possibly can. The  
20 certificate program will require further analysis.

21           The second major component of this agenda item --  
22 well, maybe I'll stop and take questions if you have any  
23 about D-14 before I move to D-15.

24           CHAIRPERSON BROWN: Any questions before we go  
25 on?

1 Rosalie.

2 BOARD MEMBER MULÉ: No questions. I just want to  
3 clarify that we have two separate activities. We have the  
4 internal training, if you will. And then the other item  
5 is the certification program.

6 EXECUTIVE DIRECTOR LEARY: That's -- and I  
7 wholeheartedly agree, Member Mulé. But at the same time,  
8 that's not to suggest that the work we develop in regards  
9 to that principles class we'll hold to ourselves. I mean  
10 clearly that will create a foundation for others who want  
11 to, you know, see the value of the same kind of effort,  
12 and in fact may lead to curriculum developed around the  
13 state to serve that need not only for Board staff but for  
14 all folks involved in the field.

15 BOARD MEMBER MULÉ: Right.

16 CHAIRPERSON BROWN: I think some of the  
17 discussion when we developed this part of the strategic  
18 directive was, you know, if a local jurisdiction has a new  
19 recycling coordinator and they need training on what the  
20 basics of, you know, recycling is, we can point to a  
21 program that we can say we've investigated and, you know,  
22 they can get their certification that way. Because I  
23 think we were looking when this was developed at the fact  
24 that there are people out there who were doing what they  
25 were supposed to do without the base of knowledge that

1 they should have in order to run these programs at the  
2 local jurisdictional level.

3 BOARD MEMBER PETERSEN: Exactly. And I for one  
4 am supporting Mark. This is great. I really would like  
5 to see this done. It's really great.

6 EXECUTIVE DIRECTOR LEARY: Thank you.

7 CHAIRPERSON BROWN: Well, and I think we've  
8 evolved a little bit since we wrote this. I think  
9 originally we thought we wanted to run and develop a  
10 program. I think as we're looking at the many things that  
11 we have on our plate, it's just as important to evaluate  
12 the many very good programs that are out there and look at  
13 one that may be -- you know, fit all the criteria that we  
14 deem necessary and --

15 BOARD MEMBER PEACE: You know, what you're  
16 describing, Madam Chair, makes a lot more sense to me,  
17 because you see that SWANA has a recycling certification  
18 program, CRRRA has just came out with a new certification  
19 program for recycling specialists, and maybe they're going  
20 to be just fine. So if all this is is to evaluate those  
21 and go from there, then I can support that.

22 CHAIRPERSON BROWN: Well, and I think if local  
23 jurisdictions call and say, "We need help. We've got new  
24 staff that needs training. Where do we go?"; we can say,  
25 "We've evaluated these three programs. Here is our agenda

1 item or our report from our contractor on the different  
2 programs," and point to it that way. And we may have  
3 staff that needs training in the future.

4 EXECUTIVE DIRECTOR LEARY: Similarly, the value  
5 of a certificate program and the creation of credentials,  
6 so to speak, on recycling professionals will help us allay  
7 jurisdictions' concerns when they're looking to hire a  
8 contractor and they ask, "What kind of experience should  
9 we look for in a contractor to assist us in our 939  
10 efforts?" And we'll suggest that maybe there is, maybe  
11 there isn't a certificate program out there, but at least  
12 the kind of credentials that a certificate program would  
13 provide are the kind of things we would suggest they  
14 should look for in a contractor, that kind of foundation.

15 CHAIRPERSON BROWN: Good point.

16 Okay. Thank you.

17 I do have one speaker that I know is specific to  
18 this part of the agenda item. Maybe we should take that  
19 speaker. And I know one of my other speakers is on  
20 another part.

21 I don't know what George was talking on.

22 Are you talking on this part or the next part?

23 MR. LARSON: I'm sorry. I should have clarified.  
24 It's the second part.

25 CHAIRPERSON BROWN: Okay. Bob Hollis, I know

1 you're here for the first part of this allocation. So why  
2 don't I have him address the certification program item,  
3 and invite you up.

4 And then I'll have you go back, Mark, and do the  
5 next one.

6 EXECUTIVE DIRECTOR LEARY: Certainly.

7 MR. HOLLIS: First of all, I'd like to thank the  
8 Board for allowing me an opportunity to speak on short  
9 notice. I just received these documents late last  
10 evening. So I was glad to have this opportunity and would  
11 like to thank you. And out of respect for the Board's  
12 time, I'll keep my comments brief.

13 You all have a copy of this handout that went  
14 out. So I'd like to start with just a short letter from  
15 Julie Muir, President of the CRRA on this suggest.

16 "Dear Chair Brown and Board members. On behalf  
17 of the CRRA, we'd like to congratulate you on moving  
18 forward with the Strategic Directive No. 12 with regards  
19 to training and development for CIWMB staff, LEAs, and  
20 relevant private nonprofit organization and city and  
21 county recycling professionals.

22 "CRRA also identified training and certification  
23 as one of its strategic planning goals in 2004. To that  
24 end, the CRRA has moved forward with development of a  
25 resource management professional certification. CRRA is

1 very interested in assisting the CIWMB with further  
2 development of its training program. CRRA is open to  
3 meeting with CIWMB staff to further discuss how the two  
4 organizations might work together and how CRRA might be  
5 able to help the CIWMB as it moves forward in this  
6 process.

7 "The following document outlines information on  
8 the planning and implementation of CRRA's current program  
9 as well as how it might collaborate with the CIWMB on  
10 future development."

11 And then there's contact information there for  
12 Judy Gregory, who's our interim managing director.

13 You've got all the details here. I'm sure you  
14 haven't familiarized yourself with them in the past. But  
15 as we look through this agenda item and the proposal, we  
16 saw that what you're proposing to do is exactly what we've  
17 done over the last few years. We assessed other programs.  
18 We looked at SWANA's Professional Recyclers of  
19 Pennsylvania. We've pulled together a team of experts in  
20 the industry, then met with them over two years doing  
21 continuing studies, developing curriculum and developing a  
22 delivery system.

23 Now, we launched in February with a series of  
24 workshops, February 8th, down in San Diego. We had 69  
25 people at the first workshop, and 75 percent of them then

1 signed up for the certification program.

2 So seeing what you've done and what you're  
3 considering doing and the fact that we've already done a  
4 lot of that, we would love to share our knowledge and work  
5 with you in support of your efforts. We obviously have  
6 shared common goals. And so we welcome an open dialogue  
7 on this issue.

8 CHAIRPERSON BROWN: Thank you very much.

9 MR. HOLLIS: Thank you.

10 CHAIRPERSON BROWN: I appreciate your being here.  
11 I'm sure Mark will be sending someone to Judy.

12 MR. EDGAR: Wonderful. Thank you very much.

13 CHAIRPERSON BROWN: Thank you.

14 Part B.

15 EXECUTIVE DIRECTOR LEARY: Part B, Madam Chair  
16 and members, is an opportunity or a proposal that I'm very  
17 excited about. And it provides for us the opportunity to  
18 partner in communication to our prime constituency, that  
19 is, the jurisdictions of the State of California, about  
20 the benefit of recycling and solid waste management as it  
21 relates particularly to climate change.

22 We have an active and willing partner and an old  
23 dear friend actually in the person of Yvonne Hunter and  
24 her leadership position at the Institute of Local  
25 Government to facilitate the very important interaction we



1 need to have with the jurisdictions about fostering the  
2 links between recycling and climate change. So they've  
3 launched way ahead of us and are offering some very  
4 attractive, very meaningful programs, tools, expertise in  
5 this area. And what I'm offering to you or proposing to  
6 you is that we continue to support that effort and support  
7 this partnership by the provision of about \$200,000,  
8 \$100,000 over the next two fiscal years, and support their  
9 effort. And I understand -- and maybe Yvonne will speak  
10 to other sponsorships that she's received in moving this  
11 important effort forward.

12 CHAIRPERSON BROWN: Thank you, Mark.

13 Our first speaker is Yvonne Hunter.

14 Welcome back.

15 MS. HUNTER: Thank you. It is wonderful to be  
16 here. It's one of the -- it's the quintessential icing on  
17 the cake to be able to be back and to visit with all of  
18 you and to work with a great staff.

19 For the record, I'm Yvonne Hunter. I am no  
20 longer a registered lobbyist with the League of California  
21 Cities, which is why you hasn't been seeing me. I am now  
22 with the Institute for Local Government, which is the  
23 nonprofit research affiliate for the League of California  
24 Cities and CSAC.

25 My primary function with the institute is as

1 Program Director for Communities for Healthy Kids, which  
2 deals with getting affordable health insurance for  
3 children, which is wonderful. But I'm also the -- it's  
4 kind of a long title, I guess -- Informal and Interim  
5 Co-director of our Climate Change Program. The program  
6 director is on medical leave. So I've moved from advising  
7 in the energy and solid waste area to being a little bit  
8 more involved.

9 ILG, the Institute, is -- major effort, as I  
10 said, sponsored by the League and CSAC, we have a variety  
11 of projects. My project's Community for Healthy Kids,  
12 public service ethics, let's see, collaborative  
13 governance, and one of the most recent is a major effort  
14 in climate change.

15 The League and CSAC provided us with start up  
16 funding. And we also have additional early funding from  
17 the three investor-owned utilities, the Municipal  
18 Utilities Association. And, I'm delighted to say, Waste  
19 Management was one of the very early supporters of the  
20 program, not only conceptually but also financially.

21 The program, I've sent you material and I'm happy  
22 to go over it in detail. But I suspect you'd rather move  
23 along on your agenda, so I won't go into it in detail.  
24 But this is an effort that the Institute is undertaking as  
25 a way of not only supporting cities and counties that want

1 to take very aggressive meaningful action in climate  
2 change -- in the 25 years I've been with the League, I  
3 have never seen such interest by cities and counties -- as  
4 well as we want to do incentives. And we have a  
5 recognition program that we're working on the final  
6 details of. Your staff has been very helpful as we've  
7 designed the program.

8           The funding from the Waste Board will enable us  
9 to have a much more robust waste reduction and recycling  
10 component of the program. The Institute has very prudent  
11 fiscal policy. We don't hire people unless we have money  
12 to pay for them. So this will enable us to focus on that,  
13 primarily on how to increase commercial recycling. And  
14 we're looking forward to it.

15           It's been great working with the Board staff.  
16 I'm told that this is going to help the Board with what  
17 it's doing with the Air Resources Board and the scoping  
18 template. We have briefed the Energy Commission, the PUC,  
19 the ARB. We have another briefing with the ARB staff  
20 tomorrow -- no, let's see -- Friday.

21           So we're very supportive of the project. And if  
22 you have any questions, I'm happy to answer them now or as  
23 the years go by.

24           Thank you.

25           CHAIRPERSON BROWN: Thanks, Yvonne.

1           Anybody have any questions?

2           BOARD MEMBER CHESBRO: I was totally skeptical  
3 until I found out it was you, Yvonne.

4           MS. HUNTER: Can I get that in writing?

5           Thank you very much.

6           CHAIRPERSON BROWN: It's on the record, so don't  
7 worry.

8           But we do need to at least ask her one question.

9 I mean we've got to grill her and make her work for it.

10          MS. HUNTER: Think up a real hard question.

11          BOARD MEMBER CHESBRO: Well, I tell you, the  
12 question I asked her in private I'll ask in public again  
13 now, although I did ex parte the communication, was making  
14 sure that we're not the sugar daddy, that we're not  
15 funding the whole thing. And you already just mentioned  
16 the other folks who are involved. You know, we are a very  
17 significant component of it. But the other significant  
18 component involve, you know, energy and carbon -- direct  
19 carbon emissions and other things that happen through  
20 local jurisdictions, and I want to make sure we're funding  
21 the part of it that is our area of responsibility.

22          MS. HUNTER: Absolutely.

23          BOARD MEMBER CHESBRO: How's that for a question?

24          MS. HUNTER: And I'll say to the full group, it's  
25 an absolutely legitimate question. We have received

1 substantial start-up money from the League and CSAC. The  
2 League just committed for 2008 for an additional  
3 substantial chunk. We're hopeful that CSAC will be able  
4 to do the same. We have received funding from the  
5 utilities, municipal and investor-owned, and from Waste  
6 Management. And, absolutely, the funding from the Waste  
7 BOARD will be focused on all of the waste  
8 reduction/recycling aspects of what we do. Absolutely.

9 CHAIRPERSON BROWN: Great. Thank you.

10 EXECUTIVE DIRECTOR LEARY: Madam Chair, if I  
11 might.

12 Down here.

13 With Yvonne in the audience I fall to old habits  
14 of respect for relationships and friendships and such.  
15 But this is real work. And I didn't emphasize that  
16 enough. I mean we don't have a granting authority in  
17 IWMA. This is a contract. And this contract calls for a  
18 number of specific deliverables, which Yvonne and her  
19 organization have committed to provide in receipt for this  
20 money. And that real work involves greenhouse gas  
21 emissions and inventories down at the local level in  
22 regards so recycling activities. So this is substantive  
23 work, and I neglected to mention that as strongly as I  
24 needed to for the record's sake and for the benefit of  
25 your vote, is that we don't have grant authority. This is

1 a contract that they'll be doing work and it'll support  
2 our work.

3 CHAIRPERSON BROWN: Great. Thank you, Mark.

4 MS. HUNTER: Absolutely, absolutely.

5 CHAIRPERSON BROWN: Thank you, Yvonne.

6 MS. HUNTER: Thank you.

7 I do have one other speaker.

8 We're going to grill you just as hard, George.

9 George Larson on behalf of Waste Management.

10 MR. LARSON: Thank you.

11 In the interest of brevity, I'll forgo all my  
12 glowing comments about the Institute for Local Government,  
13 because we're all in agreement on that, and my comments --  
14 glowing comments about Yvonne Hunter. Waste Management,  
15 as she noted, has been an early supporter of this  
16 activity, similar to being an early voluntary participant  
17 in the CCAR. We feel this is of the highest and first  
18 priority.

19 So Waste Management offers unqualified support  
20 for this effort.

21 CHAIRPERSON BROWN: Thanks, George.

22 Anybody else have any questions on this item?

23 BOARD MEMBER PEACE: I guess not on this item. I  
24 just wanted to go back to the last one. I've been  
25 thinking about that in my head. And I look at the

1 resolution and it says that there's \$80,000 for the  
2 development of a training on the principles of integrated  
3 waste management and the research certification -- and the  
4 research on the certification of different programs. And  
5 Mark had said that 40,000 was going to be for one and  
6 40,000 for the other.

7 I guess I was thinking maybe this thing we should  
8 have today is \$40,000 to research the different --  
9 especially in light of what was said about the CRRA, it  
10 does sound like it's a good program that might be all we  
11 need. Maybe I'd like to see we spend no more than \$40,000  
12 researching the different ones and then maybe come back to  
13 us to see if we want to go forward with additional funding  
14 to actually develop a certification program.

15 EXECUTIVE DIRECTOR LEARY: If I understand you,  
16 Member Peace, I think we're in agreement in the sense that  
17 this is all about, not necessarily the development of a  
18 certification program, but what the analysis of --

19 BOARD MEMBER PEACE: That's what it says though  
20 in the -- doesn't it?

21 It says, "Therefore resolve that the Board  
22 approves the allocation" -- "Board development of training  
23 on the principles of waste management and research."

24 EXECUTIVE DIRECTOR LEARY: "...and research of  
25 certification programs." So there's two components to

1 this. There's a development of training on the principles  
2 and secondarily research of certification programs. So --

3 CHAIRPERSON BROWN: This is actually one contract  
4 with two deliverables as part of the one contract. It's  
5 not like we're having two separate contracts that we can  
6 split the baby.

7 BOARD MEMBER PEACE: Well, I thought -- was to  
8 understand there'd be \$40,000 to research what was already  
9 out there and then come back to the --

10 CHAIRPERSON BROWN: No, I think we're looking for  
11 one contractor that will give us both pieces of  
12 information, because it's part and parcel of the same  
13 research. I mean they're going to have to go out and  
14 get -- they'll get all of this information and it's a  
15 deliverable for two components. There's two components.

16 BOARD MEMBER PEACE: Right. But we're not paying  
17 to develop a program though, right?

18 EXECUTIVE DIRECTOR LEARY: No.

19 BOARD MEMBER PEACE: That's not what that's for?

20 EXECUTIVE DIRECTOR LEARY: We're paying to  
21 develop a training program on the principles of integrated  
22 waste management for our own organization.

23 CHAIRPERSON BROWN: -- for our own staff.

24 EXECUTIVE DIRECTOR LEARY: That's part one.

25 BOARD MEMBER MULÉ: Component one.



1 EXECUTIVE DIRECTOR LEARY: Part two is we're  
2 paying for research on the various alternatives for a  
3 certification program, that we will then bring back to the  
4 Board and suggest that we do one, two, three, four, five,  
5 or six, which will have analysis --

6 BOARD MEMBER PEACE: So the development part is  
7 just for our staff?

8 EXECUTIVE DIRECTOR LEARY: Right. The  
9 development part is for our own staff. It's for a  
10 training effort. Nothing to do with the consideration of  
11 a certification program.

12 BOARD MEMBER PEACE: Oh, okay. Thank you for  
13 clarifying that.

14 BOARD MEMBER PETERSEN: Mark, would we have an  
15 opportunity to take a look at the scope of work before you  
16 come back to the Board just to comment on?

17 CHAIRPERSON BROWN: That's going to slow the  
18 process.

19 EXECUTIVE DIRECTOR LEARY: Well, I'm actually --  
20 part of this item I'm seeking delegation, because as we  
21 approach the end of the fiscal year --

22 CHAIRPERSON BROWN: I think we need to delegate  
23 it to Mark. But if you'd like to look at it --

24 EXECUTIVE DIRECTOR LEARY: Informally I'd be  
25 happy to --

1 CHAIRPERSON BROWN: Yeah, speaking informally.  
2 BOARD MEMBER PETERSEN: Yeah, Informally.  
3 EXECUTIVE DIRECTOR LEARY: Absolutely.  
4 BOARD MEMBER PETERSEN: I love reading.  
5 EXECUTIVE DIRECTOR LEARY: I know you do.  
6 CHAIRPERSON BROWN: Okay.  
7 BOARD MEMBER MULÉ: Okay, legal question. Can we  
8 move both of these at the same time?  
9 CHIEF COUNSEL BLOCK: Yes.  
10 BOARD MEMBER MULÉ: Are we ready?  
11 CHAIRPERSON BROWN: Uh-huh.  
12 BOARD MEMBER MULÉ: Madam Chair, I'd like to move  
13 Resolutions 2008-31 and 2008-32.  
14 BOARD MEMBER PETERSEN: I'll second that.  
15 CHAIRPERSON BROWN: It's been moved by Member  
16 Mulé and seconded my Member Petersen.  
17 Kristen, can you call the roll.  
18 EXECUTIVE ASSISTANT GARNER: Chesbro?  
19 BOARD MEMBER CHESBRO: Aye.  
20 EXECUTIVE ASSISTANT GARNER: Danzinger?  
21 BOARD MEMBER DANZINGER: Aye  
22 EXECUTIVE ASSISTANT GARNER: Mulé?  
23 BOARD MEMBER MULÉ: Aye.  
24 EXECUTIVE ASSISTANT GARNER: Peace?  
25 BOARD MEMBER PEACE: Aye.

1 EXECUTIVE ASSISTANT GARNER: Petersen?

2 BOARD MEMBER PETERSEN: Aye.

3 EXECUTIVE ASSISTANT GARNER: Brown?

4 CHAIRPERSON BROWN: Aye.

5 Resolution 2008-31 and 32 pass.

6 Thank you all for being here for those items.

7 Now, we will move to our last item of the day.

8 And thank you for your indulgence to our guests who are

9 here. We're moving to an update on the tire

10 sustainability outreach and the 3,000-mile myth outreach

11 efforts.

12 Jon, I think you have an intro.

13 ASSISTANT DIRECTOR MYERS: Yeah, it'll just be a

14 real quick introduction here, as Public Affairs takes you

15 into the dinner hour here. Real quick.

16 Good afternoon, Chair Brown, Board members. Jon

17 Myers, Office of Public Affairs.

18 Item 16 will provide the Board with an update on

19 the Board's tire sustainability outreach and the 3,000

20 mile myth education efforts.

21 As some quick background, the tire sustainability

22 campaign was approved by the Board in December of 2005,

23 with the award of the contract in June of 2006. The

24 campaign was targeted at two markets -- actually I won't

25 even go into that. I'll let Ogilvy describe that.

110

1           The 3,000-mile myth that we're going to be  
2   hearing about was approved by the Board in January 2007,  
3   with the award taking place in June of that year. And I'm  
4   sure we've all been seeing a lot of the media on that in  
5   recent weeks here. It's been getting a lot of attention.  
6   So I'll let Ogilvy address that.

Ogilvy has won the contract for both these efforts. So here today is Beverly Kennedy And Rachel Manke from Ogilvy PR that will discussion both of these.

10           And Rachel is going first.

11 (Thereupon an overhead presentation was  
12 presented as follows.)

13 MS. MANKE: We're wondering -- oh, the microphone  
14 does work. Thank you.

15           Good afternoon, Chair Brown, members of the  
16 Board. I'm Rachel Manke with Ogilvy Public Relations.  
17 I'm going to talk to you about the tire sustainability  
18 campaign update and my colleague, Beverly Kennedy, will  
19 speak to the 3,000-Mile Myth Program.

20 --o0o--

21 MS. MANKE: For the tire sustainability campaign  
22 I think it's been quite some time since we were asked to  
23 give you an update. So I thought it might be helpful to  
24 arc back on some of the foundational elements of the  
25 campaign.

1           So first off I just wanted to state what the  
2 campaign goal is. Obviously the main communication goal  
3 is that we want to educate Californians about properly  
4 maintaining their tires to be safe, save money and reduce  
5 fuel consumption. Of course that's all under the guise of  
6 trying to extend the life of their tires so that we have  
7 less tires in landfills.

8           As Jon started to mention, this is a multilingual  
9 ethnic outreach campaign. That's the way the RFP was  
10 structured from the Board. So this campaign actually did  
11 pick pilot markets. Those are the Bay Area and also  
12 Fresno.

13           In the Bay Area there's obviously a concentration  
14 of some of our key target population. So our in-language  
15 outreach focuses on Cantonese speaking in the Bay Area.

16           And then for Fresno, our other pilot market,  
17 we're focused on Spanish-speaking consumers.

18           And in each of those markets we also do what we  
19 kind of call an overlay of outreach to English-speaking  
20 consumers. So when we're in the Bay Area we're talking to  
21 people either in English or in Cantonese; and when we're  
22 in Fresno we're talking to folks either in Spanish or in  
23 English.

24           And overall the consumers that we're trying to  
25 target in these markets are drivers over the age of 18.

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MS. MANKE: We'll go into detail about some of the activities to date for the campaign. But just a list of six of them include: Collateral material development, retail partnership development. We also have developed partnerships with additional stakeholders, done some paid advertising, placed several campaign PSAs, and then also done media relations for the campaign.

MS. MANKE: So many of you are probably familiar with the collateral materials that have been developed for the campaign. They were developed through formal research where we did conduct not only a telephone poll to figure out what messaging would resonate the best with the consumers that we're targeting, but we also did focus groups to test these materials to see if these kind of images and the kind of wording that we're using here would most motivate the consumer to check their tire pressure once a month.

The pieces that you see here are largely used for our retail partnerships that I'll talk about in a second. The three posters that you see here, we've got English, Spanish, and obviously Chinese, these posters are most often displayed in retail stores, so in tire maintenance

1 shops that the consumer brings their vehicle to for checks  
2 or for new tires when things are needed in that vein.

3 At the bottom we also have what we call a window  
4 decal. So if you're a consumer and you're entering the  
5 tire retail store, the decal's on the front.

6 Both of these items remind people to check their  
7 tire pressure once a month.

8 And then the item on the right side of the screen  
9 here is what we call a PSI decal. Many consumers aren't  
10 really sure of the right PSI that their tire should be at.  
11 Obviously the tires last longer, they get better fuel  
12 efficiency if the consumer does keep that tire at the  
13 correct PSI. So it's an item that the consumer -- we call  
14 it a take-away item that the consumer can actually take  
15 home with them. They can write down the PSI that's  
16 appropriate for the tires on their vehicle, keep it in  
17 their upper left-hand corner of the window in the car or  
18 put it in their glove compartment as a constant reminder  
19 about what PSI their tires should be at.

20 --o0o--

21 MS. MANKE: We've put a significant focus on  
22 retail partnerships. I know that was definitely something  
23 that was of interest to the Board that was communicated to  
24 us. So in the last year and a half since the program  
25 began, we've developed almost 27 retail partnerships. And

1 I just wanted to list a sampling of a few of those  
2 partnerships here. A few of the national retail chains  
3 that we're working with include America's Tire Company,  
4 Good Guys Tire Shops, Sears Auto Center, and Costco Tire  
5 Center. But in addition to those we have 23 other what we  
6 call mom-and-pop or perhaps community locations. Many of  
7 these aren't just single stores. They're actually chains  
8 themselves where they have, you know, maybe chains  
9 numbering between one and ten stores, for example. So  
10 they're still pretty significant partnerships as well.

11 And of the tire retail partnerships that we've  
12 secured, so far, because we've put a lot of focus on Tire  
13 Safety Week that I'll talk about, we also have heard from  
14 the partners that we've been corresponding with that many  
15 of them are very excited to be working with the Board this  
16 April on special promotions for Tire Safety Week. Most  
17 often times those promotions include offering free tire  
18 safety checks where they post banners from the Board  
19 outside that say that their store is offering a free tire  
20 safety check during tire safety week for any consumer that  
21 wants to come in. So they're elevating their  
22 participation in the campaign during that seasonal  
23 activity.

24 --o0o--

25 MS. MANKE: Some of the additional partners that



1 we have besides the retail partnerships:

2           Obviously many of you are familiar with the  
3 Rubber Manufacturers Association. This has been a  
4 significant partner for the campaign. Not only did we  
5 work with them in 2007 to take their model of their  
6 National Tire Safety Week activities and bring it to  
7 California, but they've helped us spearhead media effort.  
8 They've also helped provide entree to some of their key  
9 tire retailer contacts, most recently putting us in touch  
10 with Les Schwab Tires. And I'll talk a little bit about  
11 that model under advertising.

12           Triple A of Northern California also was involved  
13 with us for Tire Safety Week. They are also looking at at  
14 this point potentially expanding their partnership with  
15 the Board in 2008 to disseminate information via their  
16 roadside assistance crews. So for those of us that are  
17 Triple A members and need to be rescued on the side of the  
18 road, there are about 430 roadside assistance crews that  
19 are available any time in northern California. And the  
20 goal would be to get those crews to give out tire  
21 maintenance tips to consumers that they interact with  
22 while helping them out on the side of the road.

23           And then two other partnerships with state  
24 agencies that we wanted to mention -- these will also be  
25 similar to what Beverly will talk about for the used oil

1 campaign. We started collaboration last year with the  
2 Bureau of Automotive Repair. Obviously they work with a  
3 lot of tire -- or vehicle maintenance shops all across  
4 California and they have a really great working  
5 relationship with them. We felt like that was another  
6 significant group that we wanted to reach with information  
7 on tire maintenance tips. So we worked on a co-newsletter  
8 article with them that's going to go out this spring to  
9 all the tire maintenance shops recommending the types of  
10 tire safety maintenance that we recommend for the  
11 consumer.

12           And then for the State Controller's Office for  
13 those of you that are state employees and get a state  
14 paycheck, all 100,000 people will get a special message in  
15 the month of April during Tire Safety Week that not only  
16 will feature a message about checking your tire pressure  
17 once a month, but it also will have some used oil  
18 information as well. So we're very excited about that.  
19 We scheduled that about six months ago.

20                               --o0o--

21           MS. MANKE: And for paid advertising I wanted to  
22 mention that originally when the RFP came out, it was not  
23 a requirement to do paid advertising as part of this  
24 campaign. But for this message, which is really an  
25 ongoing maintenance issue, we felt like it was really

1 important to actually allocate a certain amount of the  
2 budget to make sure that there were messages that were  
3 appearing separate from just doing media relations on a  
4 spot basis. So we've actually allocated about 15 percent  
5 of the campaign budget to paid advertising.

6           We did paid advertising in two ways in 2007. One  
7 was allocating money to do radio ads in our target markets  
8 during Tire Safety Week in 2007. So we did radio ads in  
9 the Bay Area and we did radio ads in Fresno. And we  
10 purchased about \$30,000 in advertising, but we secured  
11 about \$35,000 in added value.

12           And going back to my comment about Les Schwab.  
13 Through RMA we were able to get introduced to Les Schwab,  
14 who is really a great supporter of the campaign. And we  
15 actually teamed up with them to create a special PSA that  
16 not only did the Board run with their \$30,000 in  
17 advertising, but Les Schwab stepped up and decided to run  
18 an additional \$35,000 in value. So you got almost double  
19 your value from that particular investment.

20           And then we also decided at the end of 2007 -- we  
21 kind of work on an annual budget basis -- we decided that  
22 we wanted to allocate additional money in 2007 to paid  
23 advertising, especially during a peak travel period. So  
24 over Labor Day weekend in 2007 we did two different things  
25 in our difference pilot markets.

1           We did what's called gas pump advertising. I  
2 think a lot of people think of that as the handle that  
3 you're actually pumping your gas with. Actually at many  
4 gas stations, in particular Shell, there are TV kiosks  
5 that are either above or on, and we were able to place ads  
6 on those as well.

7           And then we did radio advertising in Fresno.  
8 Unfortunately there aren't gas pump advertising available  
9 in Fresno. Otherwise we would have done it there too.

10           So we purchased \$35,000 in advertising. And then  
11 we did secure about \$20,000 in added value for that buy.

12           And then to describe kind of a special thing that  
13 we're doing for February to April this year, we're calling  
14 it our first-Monday-of-the-month promotion. We wanted to  
15 pick a day that a consumer could remember as checking  
16 their tire pressure once a month. So we decided that we  
17 would use the remainder as: Check your tire pressure on  
18 the first Monday of the month. So we've been running  
19 spots that will air the first Monday in February, the  
20 first Monday in March, and the first Monday in April. So  
21 that's kind of the ongoing thing that we're doing for  
22 three months.

23           And then we're going to come back and do a buy  
24 during Tire Safety Week as well. It's a radio buy, much  
25 like what we did in 2007.

1           In just doing the quick math on what we actually  
2 bought in advertising, so we bought about 115,000 in  
3 advertising so far between what we paid for in 2007 on  
4 your behalf and what's paid for in 2008. But the overall  
5 value by the time the last ads run this April should be  
6 close to \$225,000 or nearly double the investment that the  
7 Board made.

8                               --o0o--

9           MS. MANKE: We also created several public  
10 service announcements for the campaign. So these are  
11 30-second radio ads that were created in English, Spanish,  
12 and Cantonese. And I think Jon Myers has a copy of the  
13 English spot that will play at the end of the used oil  
14 campaign presentation.

15           The PSAs are being distributed in a formal  
16 monthly way, where we send them out not only to stations  
17 in our pilot markets, but we're also sending them out  
18 statewide in the hopes of being able to extend the  
19 campaign message all across the state. We've secured  
20 significant airings. So about 85 stations have agreed to  
21 air the PSAs. And from that, we have almost 7400 air  
22 plays of the PSAs just by the end of December. Our  
23 numbers for January aren't in, or we would have included  
24 that here.

25           But the estimated dollar value of the air plays

1 is over \$500,000. So again that investment in time to  
2 distribute the PSAs and to develop the PSAs has definitely  
3 proven itself and brought a lot more value back to the  
4 campaign than what was originally purchased.

5 And the PSAs will run -- I think maybe you're  
6 familiar that the campaign itself ends in June. So the  
7 PSAs will continue to be distributed through May. And  
8 we'll do our last tracking to see what dollar value we're  
9 at in early June before the campaign ends.

10 --o0o--

11 MS. MANKE: And media relations, we actually have  
12 two strategies that we're implementing for media  
13 relations. One is what we call ongoing media outreach.  
14 We know that people need to check their tire pressure once  
15 a month. So we're booking interviews as we reach out to  
16 media. It's on a monthly basis.

17 And in 2007 we secured 15 interviews. So Ogilvy  
18 secures the interviews. And then obviously the Office of  
19 Public Affairs are experts spokespeople that speak to the  
20 issue.

21 And so far in 2008 we've secured three radio  
22 interviews as well.

23 And for seasonal media outreach our focus really  
24 is pulling a lot of the resources into the month of April.  
25 So, for example, in 2007, we did a very large press event

1 here in Sacramento and then we did more of a  
2 media-opportunity style activity utilizing OPA down in the  
3 Fresno area. With that event in 2007, we were able to do  
4 interviews with eight media outlets that resulted in about  
5 15 stories in 2007.

6 Obviously we'd like to surpass our success of  
7 last year. And we are currently planning the media event  
8 for 2008 with the Office of Public Affairs. But we do  
9 anticipate the Rubber Manufacturers Association and Triple  
10 A will take a significant role alongside us so that we can  
11 all be speaking together on the issue to the consumer.

12 --o0o--

13 MS. MANKE: And then in terms of measuring  
14 results -- here we are in the last four months of the  
15 campaign -- we have several different ways we'd like to  
16 measure the campaign:

17 Obviously the number of retail partnerships  
18 secured, we know that that was a key interest of the  
19 Board.

20 The amount of materials that our partners request  
21 and distribute to consumers.

22 The number and quality of media stories that are  
23 garnered through the campaign efforts, be it the ongoing  
24 media outreach or the seasonal activities that are  
25 performed.

1           And then the placement of PSAs as well.

2           And then I wanted to reference the consumer  
3 awareness. Well, I know we've talked with Jon Myers a  
4 little bit about how to take our original poll results  
5 from September 2006. And when we do a tracking poll,  
6 we're actually going to implement that in May of 2008.  
7 And we're hoping that between a couple of the key  
8 questions that are asked from the original poll to the  
9 follow-up questions asked that we'll definitely see what  
10 we kind of called the needle of movement, that the  
11 consumers that we've been talking to and reaching out to  
12 in the Bay Area and in Fresno, their awareness has  
13 increased.

14           So you might see questions like, you know, "Have  
15 you heard campaign messages?" And we'll see if the  
16 awareness of those campaign messages have gone up.

17           Or another question we asked is: "How often do  
18 you check your tire pressure?" You know, we're hoping to  
19 see the needle move on that question as well.

20           So that will be one of our key measurements.

21           But many of this measurement information won't be  
22 calculated until June as part of our final report for Year  
23 2 of the campaign.

24           That's it on the tire sustainability campaign. I  
25 didn't know if there were any questions before we go into



1 used oil.

2 BOARD MEMBER DANZINGER: I just want to say that  
3 I think that the last -- the consumer awareness poll, I'm  
4 really glad to see that, because all of the items that you  
5 had previous to that, those are the standard conventional  
6 metrics that are applied when you have these kind of  
7 programs. But this swings over to that, you know,  
8 effects-based communication side. So you can actually see  
9 what kind of impact are you making from it. So I'm sure  
10 we're going to be really anxious to see the results of  
11 that.

12 MS. MANKE: Yeah. And we applaud the Board for  
13 putting a significant amount of resources into that. It's  
14 a big chunk of the budget, but it is something that we  
15 feel is very important.

16 I'll turn it over to Beverly Kennedy.

17 BOARD MEMBER PEACE: Well, I just have a quick --  
18 can I ask --

19 MS. MANKE: Sure.

20 BOARD MEMBER PEACE: I think Member Petersen had  
21 a question.

22 BOARD MEMBER PETERSEN: Well, I just wanted --  
23 Jon, could you read that ad to us in Cantonese.

24 (Laughter.)

25 MS. MANKE: Luckily I only gave it to him in

1 English to make it easy.

2 ASSISTANT DIRECTOR MYERS: The comments that run  
3 through my head, I can't say.

4 BOARD MEMBER PETERSEN: Later then, huh?

5 ASSISTANT DIRECTOR MYERS: Yeah.

6 BOARD MEMBER PEACE: I was just going to ask --  
7 you say that the Rubber Manufacturers Association, you've  
8 partnered with them. And, you know, the representatives  
9 from the Rubber Manufacturers Association always say that  
10 they're out there with their "Be smart, do your part"  
11 campaign. And I was just wondering when you go out to the  
12 Costco's and the different things, how much of a presence  
13 is that "Be smart, do your part" campaign there other than  
14 at Tire Safety Week?

15 MS. MANKE: The "Be Tire Smart" campaign from  
16 RMA, the main tool that they use is actually an  
17 informational brochure. So we have had partners that have  
18 said to us, "We're already participating in the 'Be Tire  
19 Smart' campaign. We don't feel like we can utilize the  
20 materials from the Board, but please know that we're doing  
21 the information from these other tools." So stores have  
22 said that.

23 I can't really tell you how many stores are  
24 utilizing the "Be Tire Smart" versus ours. But some  
25 people have passed on the statewide materials because

1 they're already using the national "Be Tire Smart"  
2 materials.

3 But I would say our participation and our  
4 outreach in California has significantly increased the  
5 number of retailers that overall are working on this  
6 issue. Because when RMA does a mailing, they do a mailing  
7 nationally to all tire retailers. And they don't really  
8 have the resources to follow up with all the different  
9 retailers in every state that could potentially get  
10 involved. Our team actually calls people. You know, we  
11 call all the tire retailers that we send the information  
12 to, which is largely where the 27 partners have come from.

13 ASSISTANT DIRECTOR MYERS: And that's actually a  
14 really good question, Member Peace, because it's something  
15 that I will be addressing next month when we bring forward  
16 another item to continue on with tire sustainability  
17 outreach. And I looked at that exact same question on  
18 where the "Tire Smart" campaign is and how they're  
19 reaching out and how effective that campaign is, and  
20 really our role with that campaign as well.

21 We I think -- through Ogilvy we've actually  
22 developed a really good relationship with RMA. And, you  
23 know, as Rachel described, the Tire Safety Week really was  
24 a positive. And we're going to be doing that again in  
25 April. So we developed that relationship there. I'll be

1 talking about that a little bit more next month.

2 BOARD MEMBER PEACE: Okay. Thank you.

3 MS. KENNEDY: Good afternoon. Beverly Kennedy  
4 with Ogilvy. I'll be talking about used oil or, as we  
5 like to call it, the 3,000-mile myth.

6 --o0o--

7 MS. KENNEDY: So this is the first update with  
8 regards to this campaign. I think everybody knows that it  
9 is actually part of the multi-prong contract that we were  
10 awarded. There were four components to that, and this is  
11 one of them, one of the larger components of it.

12 The goal is before you. Our goal is to educate  
13 Californians, the motorists, about the 3,000-mile myth and  
14 how they can decrease used oil generation by checking  
15 their auto manufacturer's recommendations on when to  
16 change their oil.

17 --o0o--

18 MS. KENNEDY: A lot of activities have already  
19 been conducted to date. We started these activities  
20 primarily in the fall. The first one though is a baseline  
21 line research, so basically a poll that was conduct before  
22 our contract was ever awarded. And a little bit of  
23 background on this.

24 The CIWMB contracted it directly with the CSU San  
25 Marcos, their Social and Behavioral Research Institute, to

1 do a study. Over 1,000 Californians were interviewed with  
2 regards to how often do you change your motor oil, you  
3 know, 3,000-mile myth, et cetera. And that is when the  
4 Board actually uncovered that more than 73 percent of  
5 Californians change their oil not based on their  
6 manufacturer's recommendation and more frequently. So  
7 that is where this foundation came from.

8           When we were doing research to prepare to respond  
9 to the contract, I came across CSU San Marcos and the  
10 study, contacted them to see if they could be on our team  
11 because obviously they have the foundation.

12           Their institute was closed down unfortunately,  
13 but a lot of the professors and researchers that were  
14 involved in that wanted to be involved. And one of them  
15 actually had their own research firm called Action  
16 Research. So we are working with the same group of  
17 individuals, just not the university per se. So I just  
18 wanted to clarify that if there's any questions.

19           So baseline research has been conducted. It was  
20 finalized in January of 2006 and we have that information.

21           Additionally, four focus groups have been  
22 conducted. Two of them were conducted through CSU San  
23 Marcos and then two more once we got the contract. Focus  
24 groups were conducted in northern and southern California,  
25 primarily to test messaging, wording, look-and-feel

1 concepts.

2           Lastly, we did do a field test with Action  
3 Research on the radio spot that we developed. And what we  
4 did was we went out into the field, talked to 60  
5 individuals after they were exposed to our radio spot to  
6 see what their intent was, what was the reaction, what  
7 were they going to do based on hearing the spot. And  
8 overwhelmingly everyone said their intent was to follow  
9 their auto manufacturer's recommendations moving forward,  
10 which was the right answer we were looking to hear. So  
11 that was positive.

12           A lot of creativism has been developed, and I'll  
13 show you that momentarily. We've launched the website.  
14 That launched in December. I'll show you that. And we  
15 are in the midst of doing partnership and media outreach.

16                               --o0o--

17           MS. KENNEDY: So I think many of you have seen  
18 this. But this is the look and feel of the campaign. So  
19 the materials that we have developed to date include a  
20 poster, point-of-purchase display. We have a web banner,  
21 a web tile. There is the radio spot and there's actually  
22 a brochure as well.

23                               --o0o--

24           MS. KENNEDY: Here's the website. Hopefully some  
25 of you had a chance to go visit it.

1           The website allows individuals to go in and look  
2 for the top 20 most popular cars from 2000 to 2007 to see  
3 when the manufacturers are recommending the oil change.  
4 There is an FAQ as well, along with some quotes from  
5 what's being said in industry.

6           We're in the process of updating this a little  
7 bit more to add some additional links and resources,  
8 because we've developed quite a few partnerships and we  
9 want to make sure that we have some reciprocal links on  
10 our websites with regards to that.

11           When we actually pulled some data with regards to  
12 how much hits are we getting to our website, we looked  
13 just for the past month's. We're talking January 28th  
14 through February 19th. And you had almost 17,000 unique  
15 visitors. So the site is getting populated and visited.

16                               --o0o--

17           MS. KENNEDY: Moving on to partnerships.  
18 Forty-three partnerships have been secured to date. This  
19 is a combination of smaller shops, smaller chains, but  
20 then some large individual organizations as well. I want  
21 to talk about three specifically. But if the Board is  
22 interested in having a complete list, we'd be more than  
23 happy to send that to you.

24           First of all, Triple A again of Northern  
25 California has come aboard to be a partner. They are

1 going to be distributing the brochure and informational  
2 materials in their 400 stores statewide. So that is  
3 great.

4           They're also serving as a third-party  
5 spokesperson. You've probably seen Sean Cummy quoted in  
6 some of the media articles that have been distributed.

7           And we are going to be doing a link back and  
8 forth to the websites.

9           Additionally, as Rachel mentioned, BAR has come  
10 aboard as a partner. There will be an article in their  
11 spring and summer newsletter. They are going to be  
12 launching a campaign in April with regards to making sure  
13 your car is green, so to speak. They want our materials.  
14 They want us to have their materials. So there is  
15 back-and-forth sharing right there. When they're going  
16 out to community events, they've asked for our materials  
17 so they can just distribute them on our behalf, which is  
18 wonderful.

19           And their public information officer is more than  
20 happy to take additional phone calls and serve as a  
21 third-party ally high for us. And, again, they will be  
22 linking their site to our site.

23           And, lastly, we brought on the California Motor  
24 Car Dealers Association. As many of you know, they are  
25 the country's largest association of franchised new car



1 and truck dealers. Not only do they sell vehicles, but  
2 they do repairs and maintenance as well.

3           They have agreed to go ahead and post information  
4 on to their website, which is downloadable and available  
5 to their 1400 members. And they will be contacting all  
6 their members directly via e-mail to make sure that they  
7 are aware information is available. They will be sharing  
8 information materials with their members, doing a website  
9 link to our used oil website. And they have offered to  
10 author an editorial piece, if the Board is interested, in  
11 support of our campaign.

12                               --o0o--

13           MS. KENNEDY: Moving on to media coverage, the  
14 second major activity. This is a partial list. We have  
15 gotten a lot of media coverage on this topic. I believe  
16 many of the articles have been forwarded, so you've had a  
17 chance to view them. Most reporters are taking a very  
18 unbiased approach in the sense that they're representing  
19 both sides. So you're hearing what the oil industry has  
20 to say and then you're having our message as well.

21           We are getting media phone calls back on a daily  
22 basis. In fact, yesterday there was the letter to the  
23 editor that appeared in the San Francisco Chronicle in  
24 support of our campaign. And we've had contact with L.A.  
25 Times, and I know that OPA has been talking to L.A. Times

1 as of yesterday, the reporter that covers the "your will"  
2 section, because he is very interested in doing an article  
3 on this topic as well.

4 --o0o--

5 MS. KENNEDY: With regards to the radio spot that  
6 we had distributed. The budget for this campaign is  
7 fairly small so we could not do a paid advertising  
8 campaign, but we are distributing the PSA for 30-second  
9 spot in the five major media markets. Beyond that as  
10 well, but that's where we're focusing on, the five major  
11 media markets.

12 So far 80 of the stations have requested the PSA.  
13 You can see that 21 have confirmed airing before January  
14 31st and L.A. has the strongest showing.

15 The distribution just started at the very end of  
16 December, so we have a ways to go on this campaign. I  
17 think this number will increase and we'll start to see  
18 what the added value is.

19 A lot of the stations are asking to put a link  
20 though or a web tile on their site. Seven have asked for  
21 that so far.

22 --o0o--

23 MS. KENNEDY: And this is just an example. So  
24 here's the station's website. And you can see the  
25 3,000-mile myth tile.

1                               --o0o--

2               MS. KENNEDY: While this is not a radio station,  
3 all of you are familiar with Channel 3 up here in  
4 Sacramento. They did have blurb on our campaign. And we  
5 thought that would be a great screen grab as well.

6                               --o0o--

7               MS. KENNEDY: So measure results. Very similar  
8 to what we're doing for tires. The first several  
9 activities are what we call the outputs. So how many  
10 partnerships did we garner? You know, what were they able  
11 to do for us? How many materials have we distributed?

12              Do a media analysis. What were the tone of the  
13 media stories? How many impressions? What outlets did we  
14 secure? PSA is the value of that. And how many website  
15 hits are we garnering on a regular basis?

16              At the end of the contract though we will go out  
17 and do -- follow up a consumer tracking poll to find out  
18 if people's awareness levels were changing, if their  
19 intent is changing, what they have learned with regards to  
20 the campaign.

21              Thank you.

22              BOARD MEMBER CHESBRO: Madam Chair?

23              A couple comments about sort of good news and bad  
24 news. I think the good news is that this is a -- with the  
25 downturn in the economy, this is a particularly good time

1 for people to realize that they don't have to spend that  
2 money as frequently. And so I think there will be a  
3 receptive audience.

4 But I got to tell you -- and this is, you know,  
5 an anecdote, although it's not the first time it's  
6 happened to me. I just had my oil changed. And my car  
7 has a 10,000 mile recommendation. And I had to  
8 practically fight the guy off physically to keep him  
9 from -- I mean he was yelling at me, "Oh, you destroyed  
10 your engine. You got to flush your engine out," you know.  
11 And he said -- well, first he asked, "When did you last  
12 change your oil?" I said, "10,000 miles." And he gets  
13 this horrified look on his face and says, "You've ruined  
14 your engine. We might be able to save it," you know, by  
15 doing all this special crapola, you know. And I said,  
16 "No, the warranty says 10,000." And he goes, "That's  
17 impossible. No warranty says 10,000." And I said, "I'll  
18 get it out of the glove compartment and show it you." And  
19 I did.

20 But the point is that in terms of the  
21 information -- key information source, which is the oil  
22 change station, in many cases -- I shouldn't paint with  
23 too broad a brush -- in many cases we're clearly swimming  
24 against a very powerful economic interest in getting  
25 people to do it more often. And so that's the challenge.

1 And, you know, most people don't -- busy people don't have  
2 the time to change their own oil, so they go by the  
3 convenient place and then they get lectured by somebody  
4 that they're not doing the right thing. And that's what  
5 we're having to counteract with this campaign.

6 But I think it's a really interesting sort of --  
7 in journalism they talk about a man-bites-dog story, you  
8 know, kind of a counterintuitive thing that I think --  
9 that is reflected in the kind of news stories you've been  
10 able to generate around this. And I think there will be a  
11 very receptive audience, because it takes a chunk out of  
12 people's pocket every time they go and change their oil.  
13 So they'll be happy to hear that maybe if they look in the  
14 warranty book they can save a few bucks.

15 BOARD MEMBER PEACE: That's exactly right.  
16 Whatever you said is exactly right.

17 A couple weeks ago I did see a news story in San  
18 Diego which was wonderful because they actually mentioned  
19 the Board's name and said -- the message that the, you  
20 know, California Integrated Waste Management Board -- is,  
21 you know, look at your owner's manual. You don't have to  
22 change your oil every 3,000 miles. It can save you money  
23 and it can help the environment. I mean it was a  
24 wonderful story.

25 Then you go back a few months ago when I was at a

1 ball game, and across the thing at the ballpark from Jiffy  
2 Lube was "Change your oil every 3,000 miles." So you get  
3 that -- but I think Wes is right, when people see they  
4 could save money and they can look in their owner's manual  
5 and say, "I don't have to do it that often and I can save  
6 money doing it," that they're going to be a lot more  
7 receptive.

8 MS. KENNEDY: What we uncovered too was time,  
9 money. Those are motivators.

10 ASSISTANT DIRECTOR MYERS: And it's exactly that  
11 man-bites-dog theory that has really sparked the media  
12 interest. You can tell in all the media calls that we've  
13 been dealing with, it's exactly that approach that they  
14 are taking to.

15 I had expected -- and I think I brought this up  
16 to many of you -- I expected just a wave of opposition to  
17 come from the quick lube shops. We have yet to see that  
18 opposition really coming at us, which is -- it's  
19 surprising in some ways and not surprising in others,  
20 because I think they don't have much to stand on --

21 BOARD MEMBER CHESBRO: Well, their power's in the  
22 oil change bay when you're standing there and they're  
23 trying to convince you that you're endangering the well  
24 being of your car, you know.

25 ASSISTANT DIRECTOR MYERS: And we've been

1 fortunate to receive -- and, I'm sorry, I'm going to need  
2 that backed up.

3 BOARD MEMBER PEACE: It'd be awfully hard for  
4 them to argue, "Don't pay attention to what's in your  
5 owner's manual."

6 ASSISTANT DIRECTOR MYERS: Right. But we've been  
7 fortunate to receive a lot of support from some of the  
8 dealerships themselves or other mechanics services. So  
9 it's really helping us with that third party ally.

10 So, you know, I'm expecting still we'll see some  
11 opposition coming forward. Our message has been simple,  
12 you know. It's really been a "check your auto  
13 manufacturer recommendation for oil change frequency."  
14 We're not touting expertise on the subject. We're simply  
15 referring them back to checking their manual.

16 BOARD MEMBER CHESBRO: It's more powerful than  
17 anybody's subjective opinion. If the manufacturer's  
18 telling you, that's about as powerful --

19 ASSISTANT DIRECTOR MYERS: Exactly.

20 BOARD MEMBER CHESBRO: That's the source that  
21 most people would turn to.

22 ASSISTANT DIRECTOR MYERS: Yeah. And let me --  
23 in the --

24 CHAIRPERSON BROWN: Thank you, Beverly.

25 MS. KENNEDY: Thank you.

1 ASSISTANT DIRECTOR MYERS: Thank you, Beverly and  
2 Rachel.

3 Just in the interest of time, I'll just play one  
4 of the PSAs for you, because the 3,000-mile myth one is  
5 interesting and it's what attracted a lot of attention.

6 So we'll have to watch the volume because I'm not  
7 sure.

8 (Thereupon a PSA spot was played.)

9 ASSISTANT DIRECTOR MYERS: And there you have it.

10 CHAIRPERSON BROWN: It's good.

11 ASSISTANT DIRECTOR MYERS: And any questions?  
12 Otherwise that concludes our presentation.

13 CHAIRPERSON BROWN: Thanks, Jon.

14 The Board has one item in closed session. So we  
15 will adjourn to closed session for a few minutes.

16 Thank you, all.

17 (Thereupon the California Integrated Waste  
18 Management Board recessed into closed  
19 session at 4:32 p.m.)

20 (Thereupon the California Integrated Waste  
21 Management Board adjourned closed session  
22 at 4:55 p.m.)

23

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25



1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand  
3 Reporter of the State of California, and Registered  
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the  
6 foregoing hearing was reported in shorthand by me,  
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the  
8 State of California, and thereafter transcribed into  
9 typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said hearing nor in any  
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand  
14 this 2nd day of March, 2008.

15

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